



State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

DATE: March 14, 2018

MHSUDS INFORMATION NOTICE NO.: 18-017

TO: COUNTY BEHAVIORAL HEALTH DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
CALIFORNIA ASSOCIATION OF ALCOHOL & DRUG PROGRAM EXECUTIVES, INC.
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES
CALIFORNIA OPIOID MAINTENANCE PROVIDERS

SUBJECT: MENTAL HEALTH PLAN CLAIMING FOR PARTICIPATION IN CHILD AND FAMILY TEAMS AND COMPLETING ASSESSMENTS FOR CHILDREN PRIOR TO PLACEMENT IN SHORT-TERM RESIDENTIAL THERAPEUTIC PROGRAMS

REFERENCE: ASSEMBLY BILL (AB) 403 (STONE, CHAPTER 773, STATUTES OF 2015) AND [CDSS ALL COUNTY LETTER 16-84/DHCS MENTAL HEALTH AND SUBSTANCE USE DISORDER SERVICES INFORMATION NOTICE 16-049](#)

EXPIRES: Retain until superseded

Pursuant to requirements established by Assembly Bill (AB) 403 (Stone, Chapter 773, Statutes of 2015) and [enclosure 3 to MHSUDS IN 17-016](#), this Mental Health and Substance Use Disorder Services (MHSUDS) Information Notice (IN) provides guidance to Mental Health Plans (MHPs) on claiming for additional workload related to participation in Child and Family Teams (CFTs), and completing mental health assessments for children prior to placement in Short-Term Residential Therapeutic Programs (STRTPs)

Eligible Costs

Approved by the voters in 2012, Proposition 30 requires that legislation enacted after September 30, 2012, which has an overall effect of increasing the costs already sustained by a local agency for programs or levels of service mandated by 2011 Realignment shall apply to local agencies only to the extent that the state provides annual funding for the cost increase. Therefore, for dates of service beginning on or after January 1, 2017, MHPs may submit to the Department of Health Care Services (DHCS) claims for CFT participation and the completion of assessments, in accordance with AB 403, in order to receive Federal Financial Participation (FFP) and State General Fund (SGF) reimbursement (hereafter referred to as AB 403 CFTs and assessments). This claiming process excludes CFT participation and assessment services that are related to Intensive Care Coordination and/or Intensive Home Based Services since these are existing services prior to the passage of Proposition 30, and thus do not create a reimbursable increased cost for local agencies.

MHP Participation in CFTs

As stated in [MHSUDS IN 16-049](#), behavioral health professionals, which may include MHP staff or MHP, contracted providers who serve children eligible or enrolled in Medi-Cal, are important CFT resources and their involvement is critical when:

- The CFT is unsure about a child or youth's need for Specialty Mental Health Services (SMHS) or whether the child or youth should continue receiving SMHS;
- There is a need to provide information to the CFT or family regarding how the child or youth's behavior or functioning is impacted by their mental health status;
- The CFT is considering the need to place the child or youth in a family relative, non-related extended family member or any other family type setting, a STRTP, Foster Care, or Intensive Services Foster Care;
- The CFT is considering a recommendation for Medi-Cal Therapeutic Foster Care Services; and/or
- A child or youth is prescribed psychotropic medication(s) or psychotropic medication(s) is being considered for the child or youth.

Claiming Requirements for AB 403 CFTs and Assessments

The requirements for claiming FFP and SGF reimbursement for AB 403 CFT participation and assessments are as follows:

- a. Claims for SMHS must use the X12N 837 Health Care Claim: Professional (837P) transaction set.
- b. Claims for AB 403 CFTs must use the procedure code “T1017” and procedure modifier 1 “HE” and procedure modifier 2 “HA”. MHPs may use a third modifier to assign more attributes to the service provided, including “HQ”, “GT”, and “SC”.
- c. Claims for assessments must use the procedure code “H2015” and procedure modifier 1 “HE” and procedure modifier 2 “HA”. MHPs may use a third modifier to assign more attributes to the service provided, including “HQ”, “GT”, and “SC”.
- d. AB 403 CFT participation and assessments must be claimed in equivalent of 15-minute units. One unit equals 15 minutes and 4 units equal 1 hour.
- e. For cost report and provider certification purposes, SMHS service activities for AB 403 CFTs and assessments are identified using Mode of Service and Service Function Codes below.

Service	Mode of Service	Service Code	Procedure Code	Procedure Modifier 1	Procedure Modifier 2	Procedure Modifier 3
AB 403 CFT	15	06	T1017	HE	HA	HQ, GT or SC
AB 403 Assessments	15	56	H2015	HE	HA	HQ, GT or SC

- f. As with all SMHS, MHPs are responsible for performing authorization, utilization management and utilization review activities. MHPs are also required to maintain adequate clinical records consistent with Federal and State requirements, including compliance with medical necessity criteria.

Reimbursement

DHCS will reimburse MHPs an interim rate for approved SMHS claims for AB 403 CFTs and assessments. Interim payments will be settled to the MHPs certified public expenditures that do not exceed its non-risk upper payment limit, as described in [MHSD Information Notice 12-06](#). The applicable interim rate depends on whether or not the SMHS provider is a contractor of the MHP or is county-owned and operated. If the service provider is a contractor of the MHP, the provider will be paid by the MHP at a rate that is negotiated between the MHP and the provider. The MHP will subsequently submit a claim to DHCS for reimbursement based upon the amount the MHP paid to the provider. When a claim is approved, DHCS will reimburse the MHP the federal and the non-federal share of the approved amount. If the provider is county-owned and operated, DHCS will reimburse the MHP the federal and

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non-federal share of the MHPs interim rate. The county interim rate is set by DHCS and is updated annually based upon an MHPs most recently filed cost report.

For any questions regarding this information notice, please contact Moses Ndungu, Chief, Fiscal Policy Section, Mental Health Management and Outcomes Reporting Branch, Mental Health Services Division, at Moses.Ndungu@dhcs.ca.gov.

Sincerely,

Original signed by

Brenda Grealish, Acting Deputy Director
Mental Health & Substance Use Disorder Services