



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



GAVIN NEWSOM
GOVERNOR

DATE: September 17, 2021

Behavioral Health Information Notice No: 21-058

TO: California Alliance of Child and Family Services
California Association for Alcohol/Drug Educators
California Association of Alcohol & Drug Program Executives, Inc.
California Association of DUI Treatment Programs
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
California Hospital Association
California Opioid Maintenance Providers
California State Association of Counties
Coalition of Alcohol and Drug Associations
County Behavioral Health Directors
County Behavioral Health Directors Association of California
County Drug & Alcohol Administrators

SUBJECT: Claiming for Intensive Care Coordination (ICC), Intensive Home Based Services (IHBS), and Therapeutic Foster Care (TFC) Services

PURPOSE: To remind Mental Health Plans (MHPs) of their obligation to continue to provide ICC, IHBS, and TFC to children and youth, as well as the requirements regarding authorization of such services, timely access obligations, and claiming procedures for these services.

REFERENCE: [MHSD IN 13-10](#); [MHSD IN 13-11](#); [MHSD IN 13-19](#);
[MHSUDS IN 14-010](#); [MHSUDS IN 14-036](#); [MHSUDS IN 16-004](#);
[MHSUDS IN 18-011](#); [MHSUDS IN 19-026](#)

BACKGROUND:

As a result of the Settlement Agreement in *Katie A. v. Bontá*, the State of California agreed to take a series of actions that transformed the way California's children and youth in foster care (or at imminent risk of foster care placement) receive access to mental health services. The settlement specifically changed the way a defined group of children and youth with the most intensive needs, referred to as "Katie A. subclass members," are assessed for mental health services. Pursuant to

the settlement, subclass members are required to be provided an array of services, specifically medically necessary ICC, IHBS, and TFC. These services are protected as part of the Early and Periodic Screening, Diagnostic, and Treatment program when necessary to correct or ameliorate defects and mental illnesses or conditions for beneficiaries under age 21 eligible for full scope Medi-Cal (42 U.S.C. § 1396a (a)(43) and 42 U.S.C. § 1396d (r)).

POLICY:

PROVISION OF ICC, IHBS, AND TFC

While the Katie A. Settlement only concerned children and youth in foster care (or at imminent risk of placement in foster care), *membership in the Katie A. class or subclass is not a requirement for receiving medically necessary ICC, IHBS, or TFC.* Therefore, having an open child welfare services case is not required for a child or youth to receive ICC, IHBS, or TFC.¹ MHPs are obligated to provide ICC, IHBS, and TFC to all children and youth under the age of 21 eligible for full scope Medi-Cal and who meet medical necessity criteria for these services. MHPs cannot develop or utilize a screening or assessment tool or policy that narrows the eligibility for ICC, IHBS or TFC beyond medical necessity. The determination of medical necessity must be in accord with the guidance provided within the Medi-Cal Manual for ICC, IHBS and TFC Services for Medi-Cal Beneficiaries, which states that MHPs must make individualized determinations of each child's/youth's need for ICC, IHBS, and TFC based on the child's/youth's strengths and needs. These services are appropriate for children and youth with more intensive needs who are in, or at risk of, placement in residential or hospital settings, but could be effectively served in the home and community. Restricting eligibility for these services to membership in the *Katie A.* subclass is not permissible: MHPs have an affirmative responsibility to ensure that children or youth for whom ICC, IHBS, and/or TFC are determined to be necessary receive those services in a timely manner.² These services must be available to all full scope Medi-Cal eligible children and youth in all geographic service areas served by the MHP and be in compliance with timely access and time and distance standards.

For more specific guidance on these services, including the target population that should be receiving ICC, IHBS and/or TFC, please see the [Medi-Cal Manual for ICC, IHBS, and TFC Services for Medi-Cal beneficiaries, Third Edition](#) (Manual). While the Manual does not include a specific screening or assessment tool for these services, MHPs must not develop or utilize such screening/assessment tools (or policies) that

¹ [MHSUDS Information Notice 16-004](#).

² Child welfare departments and other entities, such as juvenile probation, have an affirmative responsibility to screen and refer children and youth who may be in need of ICC and IHBS.

narrow the eligibility for ICC, IHBS, or TFC, other than to: (a) full scope Medi-Cal eligibility, and (b) medical necessity for the service. If the Department of Health Care Services (DHCS) learns of such tools or policies, it will review them for compliance and may take corrective action as needed. Furthermore, while DHCS does not require MHPs to determine if a child or youth is a *Katie A.* subclass member, MHPs are encouraged to track all children and youth who are receiving ICC, IHBS, and TFC to facilitate data collection and reporting of all services provided³. MHPs must continue to ensure appropriate claiming of ICC, IHBS, and TFC services.

CLAIMING OF ICC, IHBS, and TFC

DHCS is aware of some cases in which MHPs are providing ICC, and IHBS, but claiming the services as Targeted Case Management (TCM), and/or Mental Health Services (MHS), respectively. *MHPs providing ICC and IHBS must submit claims using the appropriate modifier to properly identify the services as ICC and IHBS.* Properly identifying the services will assist the county and DHCS with tracking the use and availability of these services as well as ensure that the services are available to children and youth as needed. MHPs that continue to claim for ICC and IHBS services as TCM or MHS, respectively, must take immediate action to come into compliance to ensure that claims for ICC and IHBS include the appropriate modifiers, mode of service, and service function codes as specified below. MHPs that continue to submit claims for ICC and IHBS incorrectly are out of compliance with [MHSUDS IN 13-11](#), and the Medi-Cal Manual for ICC, IHBS, and TFC Services for Medi-Cal beneficiaries, Third Edition. MHPs out of compliance are subject to corrective actions.

MHPs must submit claims to DHCS for Medi-Cal federal financial participation for ICC, IHBS, and TFC using the information included below.⁴

Claims for ICC must use:

- X12N 837 Health Care Claim Professional (837P) transaction set;
- Procedure code T1017; and
- Procedure modifier "HK."

Cost report and provider certification for ICC must use:

- Mode of Service 15; and
- Service Function Code 07; all other claiming and reimbursement requirements that apply to Targeted Case Management apply to ICC.

³ [See MHSUDS Information Notice 13-11.](#)

⁴ [See MHSUDS Information Notice 13-11.](#)

Claims for IHBS must use:

- X12N 837 Health Care Claim Professional (837P) transaction set;
- Procedure code H2015; and
- Procedure modifier “HK.”

Cost report and provider certification for IHBS must use:

- Mode of Service 15;
- Service Function Code 57; all other claiming and reimbursement requirements that apply to Mental Health Services apply to IHBS.

Claims for TFC must use:

- X12N 837 Health Care Claim: Professional (837P) transaction set;
- Procedure code “S5145”; and
- Procedure modifier “HE.”

Cost report and provider certification for TFC must use:

- Mode of Service 05; and
- Service Function Code 95-98.

Claims for TFC must include one of the following place of service codes:

- 03 school;
- 11 office;
- 12 home; or
- 16 temporary lodging.

NETWORK ADEQUACY OBLIGATIONS

As outlined in [Behavioral Health Information Notice 21-023](#), MHPs must comply with the timely access and time and distance standards for mental health services, including ICC, IHBS, and TFC. This means that an appointment must be available within 10 business days of any routine request. In accordance with Assembly Bill 205 (Wood, Chapter 738, Statutes of 2017), effective July 1, 2018, MHPs must also comply with the appointment time standards pursuant to Section 1300.67.2.2 of Title 28 of the California Code of Regulations. Therefore, if more urgent care is needed, MHPs must make such appointments available within 48-hours.

AUTHORIZATION OF ICC, IHBS and TFC

MHPs may not require prior authorization for ICC, but prior authorization or MHP referral is required for IHBS and TFC. As further outlined in that Information Notice, MHPs must ensure that any decision to deny a service authorization request for ICC, IHBS, or TFC (or to authorize such a service in an amount, duration, or scope that is

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less than requested) is made by a health care professional who has appropriate clinical expertise in addressing the beneficiary's behavioral health needs.⁵ MHPs shall notify the requesting provider in writing and give the beneficiary written notice of any decision by the MHP to deny a service authorization request for ICC, IHBS or TFC, or to authorize such a service in an amount, duration, or scope that is less than requested.⁶

QUESTIONS

Questions regarding this Behavioral Health Information Notice may be directed to the County/Provider Operations and Monitoring Sections at CountySupport@dhcs.ca.gov. Questions may also be sent via e-mail to KatieA@dhcs.ca.gov.

Sincerely,

Original signed by

Shaina Zurlin, PsyD, LCSW, Chief
Medi-Cal Behavioral Health Division

⁵ 42 CFR, § 438.210(b)(3)

⁶ 42 CFR, §§ 438.210(c), 438.404; MHP Contract, Ex. A, Att 12; see also [MHSUDS IN No. 18-010E](#)