



JENNIFER KENT  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

DATE: July 31, 2015

MHSUDS INFORMATION NOTICE NO.: 15-029

TO: COUNTY BEHAVIORAL HEALTH PROGRAM DIRECTORS  
COUNTY DRUG & ALCOHOL ADMINISTRATORS  
COUNTY BEHAVIORAL HEALTH DIRECTOR'S ASSOCIATION OF  
CALIFORNIA  
CALIFORNIA COUNCIL OF COMMUNITY MENTAL HEALTH AGENCIES  
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS

SUBJECT: INPATIENT PSYCHIATRIC SERVICES FOR ADULTS INCARCERATED  
IN COUNTY JAILS OR OTHER COUNTY PUBLIC INSTITUTIONS

The purpose of this Information Notice is to clarify for County Mental Health Plans (MHPs) that reimbursement of federal financial participation (FFP) is available for either; 1) acute psychiatric inpatient hospital services, or 2) psychiatric hospital professional services provided in a Fee For Service/Medi-Cal hospital for Medi-Cal eligible individuals who have been transferred off the grounds of a public institution. FFP is available for Medi-Cal beneficiaries during the time they are not incarcerated in a county jail or public institution but are instead receiving acute psychiatric inpatient hospital services.

To receive FFP reimbursement for services provided, the following requirements must be met:

- a) The individual's Medi-Cal eligibility is verified, restored or determined during the inpatient admission or restored before services are received;
- b) The individual is not incarcerated in a county jail or public institution but is instead receiving acute psychiatric inpatient hospital services and has been transferred to one of the following:
  - A Psychiatric Health Facility (PHF) certified as a Medi-Cal provider of inpatient hospital services;
  - A free-standing acute psychiatric inpatient hospital; and
  - Psychiatric unit within a general acute care hospital;
- c) The individual meets medical necessity criteria and the provider adheres to applicable payment authorization and utilization review requirements; and

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- d) All other requirements for FFP under state and federal law are met, including, but not limited to restrictions related to Institutions for Mental Diseases.

The MHP is responsible for submitting claims for FFP reimbursement using the appropriate Medi-Cal inmate aid codes. Please refer to the SDMC Master Aid Code Chart accessible from the link provided below:

<http://www.dhcs.ca.gov/services/MH/Pages/MedCCC-Library.aspx>

Questions regarding this notice may be directed to DHCS Mental Health Services Division, County Support Unit Liaison. A current list of county liaison assignments may be found at <http://www.dhcs.ca.gov/services/MH/Pages/CountySupportUnit.aspx>.

Sincerely,

Original signed by

Karen Baylor, Ph.D., LMFT, Deputy Director  
Mental Health and Substance Use Disorder Services