



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



EDMUND G. BROWN JR.
GOVERNOR

August 30, 2013

MHSD INFORMATION NOTICE NO.: 13-18

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

SUBJECT: ANNUAL REVIEW PROTOCOL FOR CONSOLIDATED
SPECIALTY MENTAL HEALTH SERVICES AND OTHER
FUNDED SERVICES for FISCAL YEAR 2013-2014

SUPERSEDES: MHSD Information Notice No.: 12-05

REFERENCE: Retain until rescinded

As required by Welfare and Institutions Code, Section 5614, the Department of Health Care Services (DHCS) has consulted with the Compliance Advisory Committee (CAC) and is issuing this Protocol developed in collaboration with the CAC, which includes representatives from the California Mental Health Directors Association, the California Mental Health Planning Council, Disability Rights California, the California Alliance of Child and Family Services, the California Network of Mental Health Clients, the National Alliance on Mental Illness, the California Hospital Association, consumer and family member representatives, California Association of Mental Health Patients' Rights Advocates, and other stakeholders. This Information Notice is to provide instruction for the Program Oversight and Compliance annual review of Mental Health Plans (MHPs) in Fiscal Year (FY) 2013-2014. Enclosed are the following:

- Enclosure 1: Annual Review Protocol for Consolidated Specialty Mental Health Services and Other Funded Services for FY 2013-2014
- Enclosure 2: County Mental Health Plan Attestation for FY 2013-2014
- Enclosure 3: Program Oversight and Compliance Review Schedule for FY 2013-2014
- Enclosure 4: Reasons for Recoupment for FY 2013-2014

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Annual Review Protocol for Consolidated Specialty Mental Health Services and Other Funded Services for FY 2013-2014

In accordance with oversight authority contained in the California Code of Regulations, Title 9, Chapter 11, Section 1810.380, DHCS shall review the program and fiscal operations of each MHP to verify that medically necessary services are provided in compliance with State and Federal laws and regulations and/or the terms of the contract between DHCS and the MHP.

The MHP will receive an Announcement Letter approximately 60 days in advance of its scheduled system review or hospital review. The letter will provide instructions for the MHP to follow in preparation for the review. The MHP representative(s) involved in the onsite review shall provide sufficient evidence to demonstrate compliance with State and Federal laws and regulations and/or contractual requirements. If during the onsite review DHCS determines that an MHP is out of compliance, DHCS will provide a Plan of Correction that includes: description of the finding(s), a description of any corrective action(s) required by DHCS, and the time limits for compliance. The MHP is required to submit a Plan of Correction for all items found to be out of compliance within 60 days of receipt of the Final Report.

County Mental Health Plan Attestation for FY 2013-2014

The purpose of the Attestation is for the MHPs being reviewed during FY 2013-2014 to certify compliance with specified Medi-Cal requirements. The signed Attestation is due to DHCS Compliance Section 30 days prior to the start of the MHPs scheduled triennial system review. MHPs are to submit the Attestation to:

Carol Sakai, LCSW, Chief
Compliance Section
Program Oversight and Compliance Branch
Mental Health Services Division
Department of Health Care Services
P. O. Box 997413, MS 2703
Sacramento, CA 95899-7413

NOTE: The MHP is in full compliance when the MHP certifies that all 25 items contained in the Attestation are in place and are maintained in accordance with regulations. During the onsite review the corresponding, supporting documents and records required by the Attestation shall be accessible and made available for review upon request by DHCS reviewers.

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In the instance the MHP is unable to certify compliance to all 25 items contained in the Attestation, the MHP is to submit to DHCS (via an addendum to the Attestation) the identification of the item(s) found to be in non-compliance, provide an explanation of the reason for the non-compliance of the item(s), and specify a date when all items will be in full compliance. Once the MHP is able to certify compliance to all 25 items in the Attestation, the MHP is to resubmit a signed Attestation with the box checked "Amended" to DHCS.

Compliance Review Schedule for FY 2013-2014

The schedule includes MHP system reviews, non-hospital chart reviews, and Short-Doyle/Medi-Cal (SD/MC) hospital reviews.

Plan of Correction

The MHP is required to submit a Plan of Correction for all System and Chart review items found out of compliance within 60 days after receipt of the final report. If the MHP chooses to appeal any of the out of compliance items, the MHP may do so by submitting an appeal in writing within 15 working days after receipt of the final report.

Reasons for Recoupment for FY 2013-2014

DHCS will review a random sample of beneficiary medical records and recoup Federal Financial Participation (FFP) dollars in accordance with the FY 2013-2014 Reasons for Recoupment. DHCS will review the medical records and documentation to determine if medical necessity criteria were met. This review includes all claims associated with the beneficiary's care during the review period.

- *Chart Review – Non-Hospital Services*

Depending on the size of the county's population, DHCS will review 10 or 20 Adult/EPSTD beneficiary medical records. The random sample will be drawn from the most recent 90-day period for which paid claims data are available or from a specified time period as determined by the Department. The MHP will be provided with the beneficiary names prior to the review or as determined by the Department.

- *Chart Review – SD/MC Hospital Services*

DHCS will review a sample of adult and/or children's medical records. The random sample will be drawn from paid claims from the twelve month period prior to the date of the review or from a specified time period as determined by the Department.

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If you have any questions regarding this Information Notice, please contact Carol Sakai, LCSW, Chief, Compliance Section, at Carol.Sakai@dhcs.ca.gov or (916) 319-0985.

Sincerely,

Original signed by

Karen Baylor, PhD, LMFT
Deputy Director
Mental Health & Substance Use Disorder Services

Enclosures

cc: Jane Adcock, Executive Officer
California Mental Health Planning Council
1501 Capitol Avenue, MS 2706
Sacramento, CA 95814

Patricia Ryan, Executive Director
California Mental Health Directors Association
2125 19th Street, 2nd Floor
Sacramento, CA 95818

Carol Sakai, Chief
Compliance Section
SUD Compliance Division
Department of Health Care Services
1500 Capitol Avenue, MS 2703
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