MEMORANDUM OF UNDERSTANDING REQUIREMENTS FOR MEDI-CAL MANAGED CARE PLANS AND COUNTY MENTAL HEALTH PLANS

PURPOSE

The purpose of this document is to describe the responsibilities of Medi-Cal managed care plans (MCPs) for amending or replacing memoranda of understanding (MOU) with the county Mental Health Plans (MHPs) for coordination of Medi-Cal mental health services. These requirements are in addition to existing MOU requirements for specialty mental health services provided by the MHP as outlined in Title 9, Chapter 11 — Medi-Cal Specialty Mental Health Services Regulations (Attachment 1) and Exhibits 11 and 12 of the current MCP contracts.

The following outpatient mental health benefits are available through MCPs for members with mild to moderate impairment of mental, emotional, or behavioral functioning resulting from any mental health condition defined by the current *Diagnostic and Statistical Manual* that is also covered according to State regulations:

- Individual and group mental health evaluation and treatment (psychotherapy).
- Psychological testing, when clinically indicated to evaluate a mental health condition.
- Outpatient services for the purposes of monitoring therapy with medications.
- Psychiatric consultation.
- Outpatient laboratory, medications, supplies, and supplements (excluding medications as described in a forthcoming APL, Medi-Cal Managed Care Plan Responsibilities for Outpatient Mental Health Services and Coordination with County Mental Health Plans).

ATTESTATION TO UPDATE MOU

As of June 30, 2014, fully executed MOUs were due to the Department of Health Care Services (DHCS). If the MCP and MHP did not enter into or maintain a MOU, neither plan shall be out of compliance provided the MCP and the MHP establish, and can demonstrate to the satisfaction of DHCS, that they have made good faith efforts to enter into a MOU. DHCS may require subsequent efforts to implement a MOU.

MOU REQUIREMENTS

Amended or new MOUs shall include, but not be limited to, the following additional requirements for outpatient Medi-Cal mental health services covered by the MCPs:

1. **Basic Requirements**
   The MOU shall address policies and procedures for management of the beneficiary's care, including, but not limited to, the following: screening assessment and referrals, medical necessity determination, care coordination, and exchange of medical information.

2. **Covered Services and Populations**
   The MOU shall include the Coverage and Population Matrix developed by DHCS (forthcoming in "Medi-Cal Managed Care Plan Responsibilities for Outpatient Mental Health Services and Coordination with County Mental Health Plans" APL). Parties may include this Matrix as an attachment to the MOU.

3. **Oversight Responsibilities of the MCP and the MHP**
   The MOU shall include, but not be limited to, the following responsibilities:

a. MCP organizational approach to mental health management (i.e., direct or subcontracted care management, direct or subcontracted provider network).
b. MCP and MHP mental health Medi-Cal oversight team comprised of representatives of the MCP and MHP responsible for program oversight, quality improvement, dispute resolution, and ongoing management of the MOU.
c. MCP and MHP multidisciplinary clinical team oversight process for clinical operations: screening, assessment, referrals, care management, care coordination, and exchange of medical information. The MCP and MHP may determine the composition of the multidisciplinary teams.
d. The MCP and MHP oversight teams and multidisciplinary teams may be the same teams.

4. Screening, Assessment, and Referral

The MCP and MHP shall develop and agree to written policies and procedures for screening, assessment, and referral processes, including screening and assessment tools for use in determining if the MCP or MHP will provide mental health services. The screening, assessment, and referral must be completed within a reasonable period that ensures timely access to services for all beneficiaries. The policies and procedures must include, but not be limited to, the following requirements:

a. Each MCP is obligated to conduct a mental health assessment for members with a potential mental health condition using a tool mutually agreed upon with the MHP to determine the appropriate care needed.

b. MHP accepts referrals from MCP staff, providers, and members' self-referrals for determination of medical necessity for specialty mental health services. The MCP primary care provider refers the member to the MCP mental health network provider for initial assessment and treatment (except in emergency situations or in cases when the beneficiary clearly has a significant impairment and therefore can be referred directly to the MHP). If the MCP mental health provider determines that the member may meet specialty mental health services medical necessity criteria, the MCP mental health network provider refers the member to the MHP for further assessment and treatment.
c. MCP accepts referrals from MHP staff, providers, and members' self-referral for assessment, makes a determination of medical necessity for outpatient services, and provides referrals within the MCP mental health provider network. The MHP refers to the MCP when the service needed is one provided by the MCP and not the MHP, and when the MHP determines that the beneficiary does not meet the specialty mental health medical necessity criteria.

5. Care Coordination

The MCP and MHP will develop and agree to written policies and procedures for coordinating inpatient and outpatient medical and mental health care for beneficiaries enrolled in the MCP and receiving Medi-Cal specialty mental health services through the MHP. These policies and procedures may be part of the MOU or separate documents, and are to be developed in compliance with Welfare and Institutions Code Section 5328, as well as any other applicable state and federal law. The policies and procedures must address, but will not be limited to, the following topics:

a. An identified point of contact from each party who will initiate, provide, and maintain ongoing care coordination as mutually agreed upon in MCP and MHP protocols.

b. Coordination of care for inpatient mental health treatment provided by the MHP, including a notification process between the MHP and the MCP within 24 hours of admission and discharge to arrange for appropriate follow-up services. A process for reviewing and updating the care plan of beneficiaries, as clinically indicated (i.e., following crisis intervention or hospitalization).The process must include triggers for updating care plans and coordinating with outpatient mental health providers.
c. Transition of care plans for members transitioning to or from MCP or MHP services.
d. Regular meetings to review referral, care coordination, and information exchange protocols and processes.
e. When applicable, protocols to assure that members with mental health conditions who are enrolled in Health Homes Program (HHP) are receiving appropriate and coordinated services.

6. **Information Exchange**
The MCP and MHP shall have policies and procedures that ensure timely sharing of information. The policies and procedures shall describe agreed upon roles and responsibilities for sharing protected health information (PHI) for the purposes of medical and behavioral health care coordination pursuant to Title 9, CCR, Section 1810.370(a)(3), and in compliance with HIPAA as well as other State and federal privacy laws. Such information may include, but is not limited to, beneficiary demographic information, diagnosis, treatment plan, medications prescribed, laboratory results, referrals/discharges to/from inpatient and crisis services, and known changes in condition that may adversely impact the beneficiary's health and/or welfare.

7. **Reporting and Quality Improvement Requirements**
The MOU shall specify policies, procedures, and reports to address quality improvement requirements for mental health services including, but not limited to:
a. Regular meetings, as agreed upon by the MCP and MHP, to review the referral and care coordination process and to monitor member engagement and utilization.
b. No less than a semi-annual calendar year review of referral and care coordination processes to improve quality of care; and at least semi-annual reports summarizing quality findings, as determined in collaboration with DHCS. Reports summarizing findings of the review must address the systemic strengths and barriers to effective collaboration between the MCP and MHP.
c. Reports that track cross-system referrals, beneficiary engagement, and service utilization to be determined in collaboration with DHCS, including, but not limited to, the number of disputes between the MCP and MHP, the dispositions/outcomes of those disputes, the number of grievances related to referrals and network access, and the dispositions/outcomes of those grievances. Reports shall also address utilization of mental health services by members receiving such services from the MCP and the MHP, as well as quality strategies to address duplication of services.
d. Performance measures and quality improvement initiatives to be determined in collaboration with DHCS.

8. **Dispute Resolution**
The MOU must describe a mutually agreed upon review process to facilitate timely resolution of clinical and administrative disputes, including differences of opinion about whether the MCP or MHP should provide mental health services. The review process may not result in delays in member access to services while the decision from the formal dispute

resolution process is pending. The MCP and MHP must also agree to follow the resolution of dispute process in accordance with Title 9, Section 1850.505.[1]

9. After-Hours Policies and Procedures
The MOU shall specify access during non-business hours:
a. Access for members and providers after hours.
b. 24/7 emergency access.

10. Member and Provider Education
The MCP and MHP shall determine requirements for coordination of member and provider information about access to MCP and MHP covered mental health services. For example, the MCP and MHP may develop "Frequently Asked Questions" on their respective websites about mutually agreed upon screening and referral protocols.

DEFINITIONS

California Department of Health Care Services (DHCS) means the single State department responsible for administration of the federal Medicaid program (referred to as Medi-Cal in California), California Children Services, Genetically Handicapped Persons Program, Child Health and Disabilities Prevention, and other health related programs. DHCS provides State oversight of the MCPs and the MHPs.

Good Faith, for the purposes of this document, means efforts by the MCP and MHP to negotiate a MOU, and determined by an independent DHCS evaluator that both parties made reasonable, but ultimately unsuccessful, efforts to come to an agreement.

Medically Necessary or **Medical Necessity** means reasonable and necessary services to protect life, to prevent significant illness or significant disability, or to alleviate severe pain through the diagnosis or treatment of disease, illness, or injury.

When determining the medical necessity of covered services for a Medi-Cal beneficiary under the age of 21, "medical necessity" is expanded to include the standards set forth in Title 22 CCR Sections 51340 and 51340.1.

Medical necessity for specialty mental health services is defined at Title 9, CCR, Sections 1820.205, 1830.205, and 1830.210.

Member means an eligible beneficiary who has enrolled in the MCP.

Quality Improvement means the result of an effective quality improvement system.

Quality of Care means the degree to which the MCP/MHP increases the likelihood of desired health outcomes of its enrollees through its structural and operational characteristics and through the provision of health services that are consistent with current professional knowledge in at least one of the six domains of quality, as specified by the Institute of Medicine. The six domains are as follows: efficiency, effectiveness, equity, patient-centeredness, patient safety, and timeliness.

[1] DHCS will convene a work group to further address the dispute resolution process for those instances when the MCP and MHP cannot resolve clinical differences of opinions.

Specialty Mental Health Services means the following mental health services covered by MHPs:

- Outpatient services:
  - Mental health services (assessments, plan development, therapy, rehabilitation, and collateral).
  - Medication support services.
  - Day treatment intensive services.
  - Day rehabilitation services.
  - Crisis intervention services.
  - Crisis stabilization services.
  - Targeted case management services.
  - Therapeutic behavioral services.

- Residential services:
  - Adult residential treatment services.
  - Crisis residential treatment services.

- Inpatient services:
  - Acute psychiatric inpatient hospital services.
  - Psychiatric inpatient hospital professional services.
  - Psychiatric health facility services.

Timely, for the purposes of MOU requirements outlined in this document, means a reasonable time period from the date of request for services to the date when the beneficiary receives medically necessary mental health services. Timeliness also applies to the provision of information that may positively impact the course of treatment, would not negatively impact the member's condition or delay the provision of services. All timeliness standards must be consistent with Knox-Keene access standards and the contract requirements for MCPs and MHPs.