



TOBY DOUGLAS
Director

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



EDMUND G. BROWN JR.
Governor

DATE: April 11, 2014

POLICY LETTER 14-003
(SUPERSEDES POLICY LETTER 12-005)

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: ENTERAL NUTRITION PRODUCTS

PURPOSE:

The purpose of this Policy Letter (PL) is to clarify Medi-Cal managed care health plan (MCP) requirements when providing medically necessary enteral nutrition products, or formulas, as a covered Medi-Cal benefit. The requirements contained in this PL will be effective May 1, 2014.

BACKGROUND:

Assembly Bill (AB) 82 (Chapter 23, Statutes of 2013) added Section 14132.86 to the Welfare and Institutions (W&I) Code to read:

14132.86. (a) Notwithstanding subdivision (ab) of Section 14132, effective May 1, 2014, purchase of prescribed enteral nutrition products is covered, subject to the Medi-Cal list of enteral nutrition products pursuant to Section 14105.8 and utilization controls pursuant to Section 14105.395.

AB 82, through the addition of W&I Code Section 14132.86, removes the tube-feeding only restriction (with exceptions) from the benefit that was implemented on October 1, 2011 pursuant to AB 97 (Chapter 3, Statutes of 2011), which amended W&I Code, Section 14132, paragraph (ab) (1-4).

STANDARD OF CARE POLICY:

I. Medically Necessary Enteral Nutrition Products:

MCPs are required to provide or arrange for all medically necessary Medi-Cal covered services, and to ensure that these services are provided in an amount no less than what is offered to beneficiaries under Medi-Cal fee-for-service. MCPs shall develop and implement written policies and procedures for providing enteral nutrition products for outpatient beneficiaries who meet the new Medi-Cal enteral

nutrition service policy outlined in the Enteral Nutrition Products sections of the Medi-Cal Part 2 Pharmacy Provider Manual. The Medi-Cal Part 2 Pharmacy Provider Manual can be found at the following link: http://files.medi-cal.ca.gov/pubsdoco/manual/man_query.asp?wSearch=%28%23filename+%2A%5F%2Ap00%2A%2Edoc+OR+%23filename+%2A%5F%2Ap00%2A%2Ezip+OR+%23filename+%2A%5F%2Az00%2A%2Edoc+OR+%23filename+%2A%5F%2Az00%2A%2Ezip+OR+%23filename+%2A%5F%2Az02%2A%2Edoc+OR+%23filename+%2A%5F%2Az02%2A%2Ezip%29&wFLogo=Part+2+%26%23150%3B+Pharmacy&wFLogoH=52&wFLogoW=516&wAlt=Part+2+%26%23150%3B+Pharmacy&wPath=N.

II. Requirements for Medical Authorization of Enteral Nutrition Products:

- The enteral nutrition product must be prescribed by a licensed provider;
- A qualified healthcare professional shall supervise the medical authorization procedures and review for approval of enteral nutrition products;
- MCPs shall perform decisions and appeals regarding enteral nutrition products in a timely manner based on the sensitivity of medical conditions as follows:
 - Emergency requests: MCPs shall not require prior authorization of services when there is a bona fide emergency requiring immediate treatment as required by W&I Code Section 14103.6;
 - Non-emergency requests: MCPs shall process non-emergency requests for services within five working days when the proposed treatment meets objective medical criteria, and is not contraindicated;
 - A regimen already in place: MCPs shall process a regimen of services already in place within five working as consistent with the urgency of the beneficiary's medical condition, as required by Health and Safety Code Section 1367.01; and
 - Expedited requests: MCPs shall provide for expedited requests on services and process within three working days when a provider or an MCP determines that the standard timeframes above could seriously jeopardize the beneficiary's life or health or ability to attain, maintain, or regain maximum function.
- If an MCP delays any decision on a service beyond the time periods listed above, the service is considered approved and shall be immediately processed as such;

- MCPs shall provide verbal or written notification to any provider requesting a service by prior authorization that is denied, approved, or modified in an amount, duration or scope that is less than what is requested by the provider;
- MCPs shall notify beneficiaries about denied, deferred, or modified services; and
- MCPs shall publicize the appeals procedure for both providers and members.

III. Referrals to Women, Infants and Children's (WIC) Program:

- WIC Program services are not covered under the Medi-Cal enteral nutrition product service. However, MCPs shall have procedures to identify and refer eligible beneficiaries to WIC Program services;
- As part of the referral process, providers shall periodically provide the WIC Program with a current hemoglobin or hematocrit laboratory value. Providers shall also document laboratory values and the referral in the beneficiary's medical record; and
- As part of the beneficiary's initial health assessment, or as part of the initial evaluation of pregnant beneficiaries, providers shall refer and document the referral of pregnant, breastfeeding, or postpartum beneficiaries, or a parent/guardian of a child under the age of five to the WIC Program as mandated by Title 42 Code of Federal Regulations Section 431.63(c).

IV. Informing Providers and Beneficiaries:

- MCPs shall inform providers about prescription and authorization procedures for the provision of enteral nutrition products, including timeliness standards, requirements for periodic physical assessment and follow-up evaluation, local referral resources, and the formulary list of covered enteral nutrition products (formulas) or MCPs equivalent list of covered enteral nutrition products (formulas); and
- MCPs shall inform beneficiaries about the processes and procedures for obtaining medically necessary enteral nutrition products.

DISCUSSION:

For MCPs, determining the medical necessity of enteral nutrition products for medical conditions requires a thorough history, physical examination, nutrition assessment, laboratory testing, feeding observation when applicable, and evaluation of a

beneficiary's behavior and home environment. For this reason, MCPs are strongly encouraged to work collaboratively with local, county and community agencies through the Memorandum of Understanding process when available, to evaluate and meet the needs of high-risk beneficiaries.

If you have any questions regarding this PL, contact your contract manager.

Sincerely,

Original Signed by Margaret Tatar

Margaret Tatar
Assistant Deputy Director
Health Care Delivery Systems