CALIFORNIA DEPARTMENT OF
Mental Health

1600 9th Street, Sacramento, CA 95814
(916) 654-2309

August 8, 2001

DMH LETTER NO.: 01-04

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

SUBJECT: MEDI-CAL COVERAGE OF EPSDT SUPPLEMENTAL SPECIALTY MENTAL HEALTH SERVICES

In compliance with the permanent injunction in Emily Q. v. Bontá (C.D.Cal., 2001, CV 98-4181 AHM (AIJx)), the Department of Mental Health (DMH) is issuing this directive to list the specialty mental health services covered by mental health plans (MHPs) as Early and Periodic Screening, Diagnosis and Treatment (EPSDT) supplemental specialty mental health services. This directive also provides MHPs with information about the procedure for obtaining coverage of additional non-listed services as EPSDT supplemental specialty mental health services.

EPSDT Supplemental Specialty Mental Health Services

Title 9, California Code of Regulations (CCR), Section 1810.215 provides: "EPSDT supplemental specialty mental health services" means those services defined in Title 22, [*CCR*] Section 51184, that are provided to correct or ameliorate the diagnoses listed in Section 1830.205, and that are not otherwise covered by this chapter." Currently, the only listed EPSDT supplemental specialty mental health services are therapeutic behavioral services (TBS).

MHPs must provide EPSDT supplemental specialty mental health services consistent with the medical necessity criteria in Title 9, CCR, Sections 1830.205 and 1830.210.

This means that EPSDT eligible children or youth must receive these services if they have an included diagnosis, their condition would not be responsive to physical healthcare based treatment, and the service will correct or ameliorate the diagnosed mental illness. MHPs must also follow any service necessity criteria established by DMH (e.g., DMH Letter No. 99-03, "Therapeutic Behavioral Services").

Obtaining Coverage of Additional Non-listed EPSDT Supplemental Specialty Mental Health Services

The MHP's authorization system must accept requests for MHP payment authorization of specialty mental health services from its providers, including county and contract agency treatment teams, to allow for the identification of EPSDT supplemental specialty mental health services. When the MHP receives a request for authorization of a service that may be a non-listed EPSDT supplemental specialty mental health service, the MHP must review the request in accordance with the MHP's authorization system in accordance with Title 9, CCR, Section 1830.215. A service may be a non-listed EPSDT supplemental specialty mental health service if the MHP has determined that the service:

- will meet the needs of the child or youth who is EPSDT-eligible under Title 9, CCR, Section 1830.205 or Section 1830.210,
- is not within the scope of services currently covered by the MHPs, and
- is not identified as a non-reimbursable service under Title 9, CCR, Section 1840.312.

The MHP must make a decision on the request based on the medical necessity criteria in Title 9, CCR, Section 1830.205 or Section 1830.210. If the MHP denies the request, the MHP will send the appropriate Notice of Action, but no further action will be required under the procedure established by this letter. If the MHP defers action on the request pending the receipt of additional information from the provider, the MHP must reconsider the request in light of the procedure established by this letter when the additional

information is received from the provider. If the MHP modifies the request to authorize delivery of specialty mental health service that is clearly not an EPSDT supplemental

service, the MHP will send the appropriate Notice of Action, but no further action will be required under the procedure established by this letter. If the MHP finds that the request should be approved, or modified in such a way that delivery of a non-listed EPSDT supplemental specialty mental health may be involved, the MHP will follow the procedure below:

1. Request for Approval

   The MHP will submit a request for a determination on the proposed EPSDT supplemental specialty mental health service to the Deputy Director, Systems of Care Division, DMH. The request should include, at a minimum:

   - A detailed description of the service being requested
   - The need being met
   - The outcome to be achieved
   - The MHP's evaluation of how the service meets the criteria of Title 22, CCR, Section 51340(e)(3) (copy enclosed)
   - Proposed units of service
   - Requested dollar amount per unit

2. Review and Determination

   DMH will review requests in consultation with the State Department of Health Services (DHS) to determine if the requested service qualifies for reimbursement as an MHP EPSDT supplemental specialty mental health service, subject to DHS approval. Services that meet the criteria of Title 22, CCR, Section 51340(e)(3) will be approved.

3. Response to the MHP

   DMH will provide a written response to the MHP within 30 days. The DMH response may take several forms:

   - An approval of the request. An approval response will provide the MHP with any relevant documentation and billing information.

- A denial of the request. The denial will include the reasons for the denial.

- A request for additional information. In this case, DMH will provide a second response within 30 days of receipt of the additional information.

- A determination that the service is already covered as a rehabilitative mental health service and its standing as an EPSDT supplemental specialty mental health services is unnecessary.

4. MHP Notice of Action Obligations

   During the State's review process, the MHP must ensure that beneficiaries receive Notices of Action concerning the provider's request for authorization in accordance with Title 9, CCR, Section 1850.210. Notices of Action are required when the MHP defers action on a provider's request for prior authorization for 30 days or more. The review process described in this letter will take more than 30 days in most cases. If DMH denies the MHP request, the MHP must provide the beneficiary with a Notice of Action explaining the denial.

When an EPSDT supplemental specialty mental health service is approved, DMH will issue a DMH Letter describing the service, including any service necessity criteria, and any relevant documentation and billing information within 60 days of the response to the requesting MHP to ensure that information about the service will be available to all MHPs, subject to DHS approval. Depending on the nature of the service involved, DMH may issue additional DMH Letters addressing in more depth issues such as service necessity criteria, access standards, standards for claiming federal financial participation. DMH may also propose changes to regulations and to the MHP contract as appropriate and as required by law, subject to DHS approval.

If you have questions or need additional information, please contact your liaison in the Technical Assistance and Training Unit below.

DMH Technical Assistance and Training Liaisons

Bay Area Region	Ruth Walz	(707) 252-3168
Central Region	Anthony Sotelo	(916) 651-6848
Northern Region	Jake Donovan	(530) 224-4724
Southern Region	Eddie Gabriel	(916) 654-3263

Sincerely,

Original signed by

STEPHEN W. MAYBERG, Ph.D.
Director

Enclosure

cc: California Mental Health Planning Council
Chief, Technical Assistance and Training

Title 22, California Code of Regulations, Section 51340(e)(3)
Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Services and EPSDT Supplemental Services.

(e) EPSDT supplemental services must meet . . . . :

(3) . . . . all of the following criteria, where applicable:

(A) The services are necessary to correct or ameliorate defects and physical and mental illnesses and conditions discovered by the screening services as defined in subsection (a) of this section.

(B) The supplies, items, or equipment to be provided are medical in nature.

(C) The services are not requested solely for the convenience of the beneficiary, family, physician or another provider of services.

(D) The services are not unsafe for the individual EPSDT-eligible beneficiary, and are not experimental.

(E) The services are neither primarily cosmetic in nature nor primarily for the purpose of improving the beneficiary's appearance. The correction of severe or disabling disfigurement shall not be considered to be primarily cosmetic nor primarily for the purpose of improving the beneficiary's appearance.

(F) Where alternative medically accepted modes of treatment are available, the services are the most cost-effective.

(G) The services to be provided:

1. Are generally accepted by the professional medical and dental community as effective and proven treatments for the conditions for which they are proposed to be used. Such acceptance shall be demonstrated by scientific evidence, consisting of well designed and well conducted investigations published in peer-review journals, and, when available, opinions and evaluations published by national medical and dental organizations, consensus panels, and other technology evaluation bodies. Such evidence shall demonstrate that the services can correct or ameliorate the conditions for which they are prescribed.

2. Are within the authorized scope of practice of the provider, and are an appropriate mode of treatment for the health condition of the beneficiary.

(H) The predicted beneficial outcome of the services outweighs potential harmful effects.

(I) Available scientific evidence, as described in paragraph (e)(3)(G)1., demonstrates that the services improve the overall health outcomes as much as, or more than, established alternatives.

NOTE: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code. Reference: Sections 14059 and 14132, Welfare and Institutions Code; Sections 306-309, Health and Safety Code; and 42 U.S.C. 1396d(r).