



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



GAVIN NEWSOM
GOVERNOR

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TO: All County Administrators and Medical Consultants for California Children's Services Program (CCS) and Integrated Systems of Care Division (ISCD) Staff

SUBJECT: CCS PROGRAM MEDICAL NECESSITY DETERMINATION

I. PURPOSE

This Numbered Letter clarifies the medical necessity standard that should be used when adjudicating CCS Service Authorization Requests (SAR).

II. BACKGROUND

The CCS program provides diagnostic and treatment services, medical case management, and physical and occupational therapy services to children under age 21 with CCS-eligible medical conditions.¹

The CCS Program is authorized under California Health and Safety (H&S) Code section 123800, et seq. Under H&S Code section 123805, the Department of Health Care Services must operate the CCS program "in cooperation with the federal government through its appropriate agency or instrumentality, for the purpose of developing, extending and improving the services. The department shall receive all funds made available to it by the federal government . . ." . Furthermore, H&S Code section 123955(f) requires that "the department and counties shall maximize the use of federal funds for administration of the programs implemented pursuant to this article, including state and county funds to match funds claimable under Title XIX and Title XXI of the federal Social Security Act".²

III. POLICY

As a Medicaid program in receipt of federal funds, the CCS Program is required to apply the medical necessity standard for Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefits. Under EPSDT, a benefit/service is medically necessary if it corrects or ameliorates a medical condition.³ EPSDT guidance

provided by the Centers for Medicare and Medicaid Services (CMS) clarifies that a service ameliorates a medical condition if it maintains that condition.⁴ Furthermore, children are eligible for CCS services only if they have a CCS-eligible condition.

IV. POLICY IMPLEMENTATION

Based on the foregoing, a CCS service can only be authorized if it corrects, ameliorates, or maintains a CCS-eligible condition.⁵

For services that do not correct, ameliorate, or maintain a CCS-eligible condition, CCS case managers shall direct providers to send requests to Medi-Cal fee-for-service, the child's Medi-Cal managed care plan, or the child's commercial insurance carrier, as appropriate. CCS case managers shall also assist beneficiaries in obtaining Medi-Cal covered services, such as outpatient prescription drugs, mental health care services and other health care services, through other Medi-Cal programs and delivery systems, as needed.

If you have any questions regarding this Numbered Letter, contact the Department of Health Care Services at JSCD-MedicalPolicy@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

Cortney Maslyn
Division Chief
Integrated Systems of Care Division

¹ Cal. Code Regs. tit. 22, § 41515.1.

² 41 U.S.C. Sec. 1396 et seq.; 42 U.S.C. Section 1397aa et seq.

³ 42 U.S.C. section 1396d(r)(5); See also Cal. Welf. & Inst. Code section 14059.5(b).

⁴ See "EPSDT - A Guide for States: Coverage in the Medicaid Benefit for Children and Adolescents," available at https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/epsdt_coverage_guide_26.pdf

⁵ See Cal. Code Regs. tit. 22, §§ 41515.2-41518.9.