



Quality Assurance Bulletin

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Program Support Bureau

County of Los Angeles - Department of Mental Health

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DETERMINING IF A TREATMENT SERVICE IS BILLABLE TO MEDI-CAL SPECIALTY MENTAL HEALTH SERVICES

The two primary reasons for monetary recoupment from the 2016 California Department of Health Care Services (DHCS) triennial onsite Chart Review were: (1) No service was provided, and (2) Service was solely for transportation, clerical, and payee related. This Bulletin serves to highlight the process in determining whether or not a **treatment service** is billable to Medi-Cal Specialty Mental Health Services in an effort to reduce the number of disallowances due to these reasons.

Note: Treatment services are services addressing client mental health concerns that are not primarily for the purpose of assessment, plan development, crisis intervention or, during the first sixty (60) days for newly active clients, linkage to other mental health programs.

As a reminder, Medi-Cal is a form of insurance for individuals with limited income and resources. As with all types of insurance, there are limitations regarding **who** is covered under the insurance (clients that need the service) and **what services** will be reimbursed under the insurance. There are three steps to ensure the service meets the requirements for coverage: (1) Confirm Medical Necessity has been established for the client (2) Identify what services are covered by Medi-Cal and (3) Provide and document a covered service to the client that addresses Medical Necessity.

1. Ensure Client Needs the Service (i.e. Establish Medical Necessity)

Per California Code of Regulations, “the client must meet criteria outlined below to be eligible for services”:

- ✓ A covered diagnosis (i.e. an “included” diagnosis): The client must have an “included” diagnosis as documented in the client’s chart (most often in an assessment form or diagnosis form) and substantiated by the symptoms and behaviors documented in an Assessment.

EXAMPLE: Assessment: “F32.0 Major Depressive Disorder, single episode, moderate”

- ✓ Impairments: The client must have significant life impairments as a result of the covered diagnosis as documented within an assessment.

Note: Assessment in this context includes the various types of mental health assessments (e.g., Full Assessment, Re-Assessment, or Assessment Addendum), as well as a needs assessment (e.g., Community Functioning Evaluation).

EXAMPLE: Assessment: "For the past five months, client has been experiencing depressed mood with feelings of worthlessness, suicidal ideation, and irritability, along with loss of energy, poor concentration, and social withdrawal. Depressive symptoms are significantly interfering with client's ability to get a job and obtain housing."

- ✓ **Interventions:** There must be proposed interventions documented in the Client Treatment Plan that will address the client's mental health needs which were identified and documented in an Assessment (e.g., depressed mood, suicidal ideation, isolation, unemployment, and housing).

EXAMPLE: Client Treatment Plan: **Objective:** Client will decrease depressed mood from a PHQ-9 score of 19 (moderately severe) to 4 or less (minimal to none)
Intervention: MHS – Provide individual therapy on a weekly basis to identify and modify self-defeating beliefs, monitor suicidal thinking, and teach problem-solving skills

Note: If the client has EPSDT and does not meet criteria for impairment and intervention above, medical necessity can be met if Specialty Mental Health Services are needed to correct or ameliorate a defect, mental illness, or condition.

Please refer to the Organizational Providers Manual for the detailed criteria of Medical Necessity and a list of included diagnoses.

2. Identify Covered Services (i.e. Service Components):

The State identifies the services to be provided under the Specialty Mental Health Medi-Cal program. Within the State Plan Amendment, service components are identified which describe the interventions (or treatment) that are covered. The definitions for all of the service components for specialty mental health services are located in the Short-Doyle/Medi-Cal Organizational Provider's Manual (pp. 27-32). These definitions provide a clear description of what these activities entail which should assist practitioners in determining whether or not they are providing reimbursable services.

- ✓ **Service Component:** The intervention provided must be listed as a covered service component under Medi-Cal.

EXAMPLE: **Therapy:** A service activity that is a therapeutic intervention that focuses primarily on symptom reduction and restoration of functioning as a means to improve coping and adaptation and reduce functional impairments. Therapeutic intervention includes the application of cognitive, affective, verbal or nonverbal, strategies based on the principles of development, wellness, adjustment to impairment, recovery and resiliency to assist a beneficiary in acquiring greater personal, interpersonal and community functioning or to modify feelings, thought processes, conditions, attitudes or behaviors which are emotionally, intellectually, or socially ineffective. These interventions and techniques are specifically implemented in the context of a professional relationship.

3. Provide and Document a Covered Service (i.e. Service that is Reimbursable):

Per the State Contract, “progress notes must describe how services provided reduced impairment, restored functioning, or prevented significant deterioration in an important area of life functioning outlined in the client plan.” The progress note must document the actual intervention that was provided to the client. For the intervention to be reimbursable, it must reduce impairment, restore functioning, or prevent significant deterioration in functioning as well as represent a covered service (service component).

- EXAMPLE: G: Client will decrease depressed mood from a PHQ-9 score of 19 (moderately severe) to 4 or less (minimal to none)
- I: Met with the client and administered the PHQ-9 to monitor treatment progress. Client’s current score of 14 indicates that he is experiencing a moderate level of depression. He reported feeling depressed, feeling like a failure, having trouble concentrating, difficulties falling asleep, and fatigue. He denied feelings of hopelessness or suicidal thinking. Reviewed client’s homework (mood diary) focusing on the triggers of his depressed mood and patterns of self-talk and underlying beliefs. Developed disputing techniques to modify his global self-rating – he frequently described self in his diary as loser, worthless, and useless. Focused on using statements to rate his behaviors not his entire self and then using problem-solving skills to more effectively address his triggers.
- R: Client reported an increased awareness of his self-talk and how it is causing him to feel so badly about himself and worsen his depression. He reported difficulties in disputing what he “truly believes” which is that he is a “useless loser.”
- P: Client to complete mood diary for homework and to dispute global self-ratings using statements developed in session.

As a reminder, each time a service is claimed, the practitioner who delivered the service is attesting that he/she believes the service met all medical necessity criteria as documented in the Clinical Record. This does not mean that every Progress Note must document all elements of medical necessity within the Progress Note. It simply means that there is sufficient documentation in the Clinical Record to support the intervention provided in the Progress Note.

If directly-operated or contracted providers have any questions regarding this Bulletin, please contact your Service Area QA Liaison.

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