Medi-Cal Mental Health Functions Currently Performed by DMH to be Transferred to DHCS by July 1, 2012

Function: Medi-Cal Program Compliance

- Assures county mental health financial and clinical programs comply with Federal/State laws and regulations, the DMH Mental Health Plan contractual requirements, and the provisions of the federal waiver for the Medi-Cal Specialty Mental Health Services Consolidation program.

- Primary Functions for transfer include:

  - ✓ System Reviews - ensure that local public mental health programs and their contract providers comply with state and federal laws & regulations for participation in Medi-Cal programs. Includes adult and children chart reviews. MCO reviews 1/3rd of the MHPs annually.

  - ✓ Chart Reviews – review adult out-patient, inpatient and EPSDT services to ensure compliance with federal and state laws and that billed services meet medical necessity criteria for reimbursement.

  - ✓ TAR Appeal Reviews and Lawsuits - second level TAR appeals process and all aspects of TAR lawsuit processing.

  - ✓ Clinic Certification and Re-Certification - annual on-site certifications and re-certifications of county MHP owned and operated outpatient clinic treatment programs to ensure each specific office or facility meets the requirements to allow the clinic to bill for Medi-Cal.

  - ✓ Questionable Medi-Cal Billing Investigations - fiscal oversight of the MHPs and MHPs' service providers and contractors. Cases determined to show significant evidence of Fraud, Waste or Abuse related to the Medi-Cal specialty mental health services, are referred to DHCS for further audit and investigation.

  - ✓ Financial Audits - financial audits of mental health programs and County MHP Short-Doyle/Medi-Cal cost reports to determine compliance with State and federal laws, regulations and policies.

  - ✓ Preadmission Screening and Resident Reviews - assures all admissions to skilled nursing facilities (SNFs) are screened for mental illness (MI). If screening reveals possible MI, an independent evaluation is provided to determine proper services and level of care. PASRR function is statewide and required by federal law and customized in California by Davis lawsuit.

Function: County Medi-Cal Program Technical Assistance

- Acts as the single point of contact for Mental Health Plans (MHPs).
- Primary functions include:
  - ✓ Providing technical assistance to MHPS on regulations, policies, procedures, and Medi-Cal Oversight Compliance Reviews.
  - ✓ Representing the State in the MHPs' Quality Improvement Committee meetings.
  - ✓ Reviewing and approving modifications to the Consolidated Specialty Mental Health Implementation Plans.
  - ✓ Monitoring DMH's State Management Advisory and Response Team (SMART) Frequently Asked Questions (FAQs) web page.

Function: IT Support for Medi-Cal Systems and Subsystems

- Primary Systems include:
  - ✓ Information Technology Web Services: Web portal that serves as a gateway and provides secure access to multiple information systems at DMH.
  - ✓ USL Financial Service application: Facilitate Accounts Payables, Accounts Receivables and General Ledger functions for the SD/MC payments.
  - ✓ Decision Support Systems - Phase I: Stores various Medi-Cal related databases for processing, analysis, and reporting.
  - ✓ Decision Support Systems Phase II: (Development in progress): Database for SD/MC Phase II data for analysis and reporting.
  - ✓ Disallow Claims System (DCS): Allow counties to disallow (void) the claim, adjudicated in Phase I system. Counties will repay DMH for any appropriate funds and identified claims are eliminated from the future audit samples.
  - ✓ County Financial Reporting System: This system provides DMH County Financial Program Support section with a system to process Local Mental Health Program Cost Reports showing SD/MC, realignment and other cost revenues by legal entity and mode of service.

- ✓ On-Line Provider system: Manages information regarding Legal Entities and Providers of public mental health services in California. This system provides data for SD/MC P2 system for adjudicating claims to the counties.

- ✓ Monthly MEDS Extract File: Provide county mental health plans (counties) with 3 Medi-Cal eligibility data files. Counties use this file as one of the beneficiary's eligibility sources.

- ✓ In-Patient Consolidation/134 File: This system allows counties to view and report the inpatient claims data files provided by the fiscal intermediary (HP) under Managed Care Phase I. Counties use this information to verify realignment offsets by DMH and reconcile paid claims with their systems.

- ✓ Preadmission Screening and Resident Review: Under the Omnibus Budget Reconciliation Act System (OBRA), PASRR is federally mandated to refer, track, and maintain the data to determine the placement and treatment for seriously mentally ill residents in Skilled Nursing Facilities.

- ✓ PERM Data – IT: The Payment Error Rate Measurement (PERM) program measures improper payments in Medicaid and the State Children's Health Insurance Program (SCHIP) and produces state and nation-level error rates for each program.

- ✓ Automated file Transfer: Application (runs as a Windows service) to perform pre-defined operations on all the inbound and outbound files. The most common pre-defined operations include copying the files, file compression, executing stored procedure, and email notification.

Function: Data Management & Support for Medi-Cal Program

- Provides data management, analysis and support for Medi-Cal programs and services.

- Primary functions include:

  - ✓ Medi-Cal Oversight Reviews – randomly selected claim samples for scheduled oversight reviews. Includes claim samples for 20 outpatient reviews and 7 – 10 inpatient facility reviews per year.

  - ✓ Audit Summary/Detail Reports –. Summary report requested by Program Compliance Audits for scheduled county audits.

  - ✓ EPSDT Oversight Reviews – randomly selected claim samples for specific legal entities provided to DMH contractor for oversight reviews scheduled

throughout the year. Recoupment summaries are also prepared and provided following the review.

- ✓ Threshold Language Reports – annual report for inclusion in the review protocol used during Program Compliance oversight reviews

- ✓ Cultural Competence Population Assessment data – annual report provided to DMH OMS & counties for use in preparing Cultural Competence plans. Includes demographic data (race/ethnicity, age, language, service type & diagnosis)

- ✓ Budget Forecast - semi-annual forecast of cost, clients, & units by service type for use in establishing proposed funding level for Medi-Cal programs.

- ✓ Supportive Therapeutic Options Program - semi-annual report requested by Department of Social Services. Report includes data/forecast on cost/client for persons aged 0 – 17 years.

- ✓ Inpatient Consolidation data – annual report provided to Fiscal Policy staff. Data is used to determine Medi-Cal payment rates.

- ✓ Ombudsman Services - provides resource and referral information for specialty mental health services in California and assists individuals receiving Medi-Cal with navigating the mental health managed care system.

- ✓ Therapeutic Behavioral Services – monitoring of monthly report that summarizes clients and costs by county and age group for children/youth under age 21 with special attention to technical assistance, data analysis and training provided to the counties.

- ✓ Appeals - review and respond to appeals submitted by MHPs in response to disagreements about audit findings in EPSDT, Outpatient and System review reports

- ✓ External Quality Review Organization - annual review of quality, outcomes, timeliness of and access to services provided by Mental Health Plans (MHPs) as required by 42 Title 438.242.

- ✓ Conlan Claim Review – Review of paid Medi-Cal expenses per Conlan v. Bonta and Conlan v. Shewry for individuals who receive Medi-Cal services pending determination of Medi-Cal Eligibility.

- ✓ State Fair Hearings - review and coordination with Department of Social Services of requests by Medi-Cal beneficiaries for hearing regarding denial or reduction in benefits.

Function: **Medi-Cal Program Policy Support**

- Provides policy development and analysis in support of Medi-Cal programs and services.

- Primary functions include:

  - ✓ M/C Waiver Renewal - support development of California's 1915(b) Medi-Cal Specialty Mental Health Services Waiver with DHCS. Track and respond to CMS policy questions as necessary.

  - ✓ State Plan - support development of California's Medi-Cal State Plan with DHCS. Plan and support stakeholder process to develop input into State Plan Amendments.

  - ✓ Federal Inquiries - track and respond to policy issues regarding specialty mental health services from CMS.

  - ✓ County Technical Assistance - in conjunction with County Program technical assistance, respond to MHP questions and resolve policy and implementation issues as they relate to Medi-Cal program.

  - ✓ MHP Contract – support development and renewal of county MHP contracts.

  - ✓ Title 9 Code of Regulations - support development, drafting and implementation of regulations as appropriate.

  - ✓ Short Doyle/Medi-Cal Phase II Claiming System – provide Medi-Cal policy consultation and direction to system programmers to ensure claiming and reimbursement is consistent with Medicaid/Medi-Cal regulations and policy.

  - ✓ DMH Liaison to CMHDA's Medi-Cal Policy Committee – track and respond to policy issues regarding specialty mental health services raised through this committee.

  - ✓ DMH Letters and Information Notices – draft letters and notices as needed directed to MHPs.

Function: **Administrative and Financial Services in Support of Medi-Cal Program**

- Provides all tracking, budgeting and fiscal analysis necessary to support Medi-Cal programs and services.

- Primary functions include:

  ✓ Accounting & Disbursements – Responsible for the process and disbursement of local assistance payments to counties, perform reconciliation of funds, and track receipt of FFP accounts receivable and invoicing.

  ✓ Budgets - Responsible for the annual preparation and development of the Governor's Budget; administration, implementation, monitoring, and control of the enacted budget; responds to drills and requests for budgetary information from internal executive/program staff and external entities (i.e., Health and Human Services Agency, Department of Finance, Legislative Analyst's Office, and Legislature).

  ✓ Estimates - Responsible for the development of the Early and Periodic Screening, Diagnosis and Treatment; Mental Health Managed Care; Healthy Families Program; and Short Doyle/Medi-Cal estimates.

  ✓ Local Program Financial Support - Responsible for the review and analyze county cost reports, settle actual State General Fund/Federal Financial Participation (FFP) cost to interim payments for Medi-Cal services, review and approve claiming plans and payment claims for Medi-Cal administrative activities, and sets fee-for-service rates for Medi-Cal programs and prepares allocation letter to counties.

  ✓ County Support Functions - assistance to counties with claim processing and payment questions and issues. Provide claiming and payment trend reports and improvement metrics that respond to claiming system deficiencies and departmental objectives