



Health Care Agency Behavioral Health Services Policies and Procedures	Section Name:	Care and Treatment
	Sub Section:	Referral
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	SIGNATURE	DATE APPROVED
Director of Operations Behavioral Health Services	<u>Signature on File</u>	<u>10/7/2021</u>

SUBJECT: Substance Use Disorder (SUD) Residential Treatment Authorization and Re-authorization

PURPOSE:

To establish a policy and procedures for authorizing requests for initial and continuing treatment in residential level of care for the Orange County Drug Medi-Cal Organized Delivery System (DMC-ODS).

POLICY:

- Behavioral Health Services (BHS) will ensure that medically necessary services provided are sufficient in amount, duration, and/or scope to reasonably achieve the purpose for which the services are being provided.
- BHS will ensure that the amount, duration, and/or scope of a medically necessary service are not arbitrarily denied or reduced.
- BHS will ensure that beneficiaries/clients receive timely and adequate notice of adverse benefit determinations.

SCOPE:

These procedures apply to Orange County Health Care Agency (HCA) BHS staff responsible for authorizing residential treatment.

REFERENCES:

[Centers for Medicare and Medicaid Services CMS State Medicaid Director Letter #17-0003](#)

[Drug Medi-Cal Organized Delivery System – Updated Policy on Residential Treatment Limitations Behavioral Health Information Notice # 21-021](#)

Intergovernmental Agreement, 17-94065, Exhibit A, Attachment I

[The Special Terms and Conditions \(STCs\), California Medi-Cal 2020 Demonstration](#)

42 Code of Federal Regulations (CFR) §§ 438.10, 438.402 b-c, 438.404, 438.210 (d1ii-2)

DEFINITIONS:

Authorization – the approval process for DMC-ODS services prior to the submission of a DMC-ODS claim.

Authorization for Residential Treatment (ART) team - BHS staff responsible for authorizing residential treatment. ART team staff are healthcare professionals with appropriate clinical expertise in treating the beneficiary's/client's condition or disease.

Licensed Practitioner of the Healing Arts (LPHA) – Physicians, Nurse Practitioners, Physician Assistants, Registered Nurses, Registered Pharmacists, Licensed Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW), Licensed Professional Clinical Counselor (LPCC), Licensed Marriage and Family Therapist (LMFT) and licensed-eligible practitioners working under the supervision of licensed clinicians and within their scope of practice.

Medical Necessity and Medically Necessary Services – those SUD treatment services that are reasonable and necessary to protect life, prevent significant illness or significant disability, or alleviate severe pain through the diagnosis or treatment of a disease, illness or injury consistent with and 42 CFR § 438.210(a)(4) or, in the case of Early and Periodic Screening, Diagnosis and Treatment (EPSDT), services that meet the criteria specified in Title 22, § 51303 and § 51340.1.

Medical Necessity Criteria – adult beneficiaries must have one diagnosis from the Diagnostic and Statistical Manual of Mental Disorders (DSM) Fifth Edition (DSM-5) for Substance-Related and Addictive Disorders with the exception of Tobacco-Related Disorders and Non-Substance-Related Disorders, and must meet the American Society of Addiction Medicine (ASAM) Criteria definition of medical necessity for services based on the ASAM Criteria. Adolescents under 21 years of age may be assessed to be at risk for developing a substance use disorder, and if applicable, must meet the ASAM adolescent treatment criteria. Beneficiaries under age 21 are eligible to receive Medicaid/Medi-Cal services pursuant to the EPSDT mandate and are eligible to receive all appropriate and medically necessary services needed to correct and ameliorate health.

Notice of Adverse Benefit Determination (NOABD) – a formal communication of any action and consistent with 42 CFR § 438.404 and § 438.10.

Residential Placement Coordinator (RPC) – working title for HCA BHS staff responsible for authorizing residential treatment, monitoring residential placements, and acting as liaison between residential providers and HCA BHS for adolescents 12 through 17 years old. This individual is a healthcare professional with appropriate clinical expertise in treating the beneficiary's/client's condition or disease

PROCEDURE:

- I. Consistent Application of Review Criteria for Authorization Decisions
 - A. All County operated and county contracted DMC-ODS providers shall utilize HCA BHS SUD Assessment, a standardized assessment tool based on the ASAM

Criteria, or a BHS approved tool which includes BHS SUD Assessment content to determine level of care and medical necessity.

1. All County operated and county contracted DMC-ODS providers utilizing the standardized assessment tool shall complete ASAM training. This includes RPC and ART team staff who are responsible for processing residential treatment authorization requests.
- B. ART Team staff shall complete residential assessments and authorization for adults. RPC shall provide authorization of services for adolescents 12 through 17 years old. Both ART Team staff and RPC for adolescents 12 through 17 years old shall ensure the following when completing or reviewing residential treatment authorization requests:
1. The standardized assessment tool has been filled out completely.
 2. The DSM-5 Substance Use Disorder (SUD) diagnosis or diagnoses is supported by the information documented in the assessment tool.
 3. The severity ratings in the ASAM dimensions include an appropriate clinical rationale and support medical necessity for residential treatment.
 4. Medical necessity for residential treatment has been established by an LPHA or Medical Director.
 5. For youth ages 12 through 20, services include treatment for risky substance use and early engagement services and a DSM-5 SUD diagnosis is not required.
- C. ART team staff, or RPC for adolescents 12 through 17 years old, will consult with providers when appropriate.
- D. ART Team staff, or RPC for adolescents 12 through 17 years old, will process authorization determinations for residential treatment services within 24 hours of the authorization request.
- II. Length of Authorized Residential Services
- A. HCA BHS will ensure compliance with the following:
1. A beneficiary's/client's length of stay for residential treatment services shall be determined by a Licensed Practitioner of the Healing Arts (LPHA) based on medical necessity.
 2. In accordance with CMS State Medicaid Director Letter #17-0003, the statewide goal for the average length of stay for residential treatment services provided by participating counties is 30 days or less.

3. In furtherance of that goal, HCA BHS shall adhere to the length of stay monitoring requirements set forth by DHCS.
- III. Timely and Adequate Notice of Adverse Benefit Determination (NOABD) (42 CFR §438.404)
- A. In the event that a beneficiary request for residential treatment services is denied or authorized in an amount that was less than requested or the plan fails to issue an authorization decision within 24 hours of request, HCA BHS will ensure that beneficiaries are given timely and adequate notice of an adverse benefit determination in writing consistent with the requirements below and in 42 CFR §438.10.
 1. Content of Notice – the notice shall explain the following:
 - a) The adverse benefit decision the ART Team, or RPC for adolescents 12 through 17 years old, has made or intends to make.
 - b) The reasons for the adverse benefit determination, including the right of the beneficiary to be provided upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the client’s adverse benefit determination.
 - c) Information about the beneficiary’s right to request an appeal (42 CFR §438.402(b) and 42 CFR §438.402(c)); procedures for exercising appeal rights; expedited appeal requests; and continuation of benefits during the appeal process.
 2. Timing of Notice
 - a) HCA BHS will ensure that NOABD are mailed to beneficiaries within the following timeframes:
 - i) Shall not exceed 14 calendar days following the receipt of the request for service for standard authorization decisions that deny or limit services.
 - ii) For authorization decisions not reached within the timeframes as specified in 42 CFR § 438.210(d), on the date that the timeframes expire.
 - iii) For expedited authorization decisions, within the timeframes specified in 42 CFR § 438.210(d) (2).