CALIFORNIA DEPARTMENT OF
Mental Health

1600 9th Street, Sacramento, CA 95814
(916) 654-3576

February 4, 2000

DMH INFORMATION NOTICE NO.: 00-01

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

SUBJECT: REVIEW OF SHORT-DOYLE/MEDI-CAL (SD/MC) PSYCHIATRIC INPATIENT HOSPITAL SERVICE

REFERENCE: SECTION 1820, CHAPTER 11, TITLE 9, CALIFORNIA CODE OF REGULATIONS (CCR)

Enclosed is the Hospital Services Review Protocol to be utilized by the State Department of Mental Health Program Compliance review teams to evaluate psychiatric inpatient hospital services delivered by Short-Doyle/Medi-Cal (SD/MC) funded hospitals. Per CCR, Title 9, Chapter 11, Section 1810.246, a SD/MC Hospital is defined as "... a hospital that submits claims for Medi-Cal psychiatric inpatient hospital services through the department to the State Department of Health Services and not to the fiscal intermediary."

Compliance reviews of Hospital Services will begin in February 2000. The review period for each facility will be based on a sample of paid claims from a consecutive three-month period within the last twelve months prior to the month of the review. For example, the review period for reviews scheduled in February 2000, will be between January 1999 and January 2000 and the sample could be derived from any consecutive three month time frame between these dates (i.e. February–April 1999, April-June 1999 or August-October 1999, etc.).

Questions regarding the compliance reviews should be directed to either Bob Cacic, Chief, Medi-Cal Oversight-Northern Region at (916) 654-5751 or Moss T. Nader, Chief, Medi-Cal Oversight-Southern Region at (562) 868-2275.

J. RUBEN LOZANO, Pharm.D.
Deputy Director, Program Compliance

Enclosure

cc: Daphne Shaw, Chair, California Mental Health Planning Council
Jack Tanenbaum, Chief, Technical Assistance and Training
County Quality Improvement Coordinator

SECTION J *CHART REVIEW OF SD/MC HOSPITAL SERVICES*

	CRITERIA	IN COMPLIANCE YES	NO	COMMENTS
MEDICAL NECESSITY CRITERIA				
1.	Does the beneficiary's admission to a psychiatric inpatient hospital meet both of the following admission reimbursement criteria (1a and 1b below)?			
1a.	The beneficiary has a DSM IV diagnosis contained in the CCR, Title 9, Chapter 11, Section 1820.205(a)(1)(A-R). *CCR,, Title 9, Chapter 11, Section 1820.205(a)(1);* *DMH Policy Letter No.97-03;* *MHP Contract with DMH.*			
1b.	The beneficiary requires psychiatric inpatient hospital services, as a result of a mental disorder, due to, at least, one of the following indications (the beneficiary must meet either 2 a-c or 3 a-c): *CCR,, Title 9, Chapter 11, Section 1820.205(a)(2)(B);* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
2.	Does the beneficiary have symptoms or behaviors of one of the following (2a, 2b, 2c)?			
2a.	Represent a current danger to self or others, or to significant property destruction *CCR, Title 9, Chapter 11, Section 1820.205(a)(2)(B)1.a;* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
2b.	Prevent the beneficiary from providing for, or utilizing food, clothing or shelter *CCR, Title 9, Chapter 11, Section 1820.205(a)(2)(B)1.b;* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			

SECTION J *CHART REVIEW OF SD/MC HOSPITAL SERVICES*

	CRITERIA	IN COMPLIANCE YES	NO	COMMENTS
2c.	Present a severe risk to the beneficiary's physical health *CCR, Title 9, Chapter 11, Section 1820.205(a)(2)(B)1.c;* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
3.	Does the beneficiary require treatment and/or observation for, at least, one of the following (3a, 3b, or 3c)?			
3a.	Further psychiatric evaluation *CCR, Title 9, Chapter 11, Section 1820.205(a)(2)(B)2.a;* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
3b.	Medication treatment *CCR, Title 9, Chapter 11, Section 1820.205(a)(2)(B)2.b;* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
3c.	Specialized treatment *CCR, Title 9, Chapter 11, Section 1820.205(a)(2)(B)2.c;* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
4.	Does the beneficiary's continued stay in a psychiatric inpatient hospital meet one of the following reimbursement criteria (4a, 4b, 4c or 4d)?			
4a.	Continued presence of indications, which meet the medical necessity criteria, specified in items 1, 2, and 3 above. *CCR, Title 9, Chapter 11, Section 1820.205(b)(1);* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			

SECTION J *CHART REVIEW OF SD/MC HOSPITAL SERVICES*

	CRITERIA	IN COMPLIANCE YES	NO	COMMENTS
4b.	Serious adverse reaction to medications, procedures or therapies requiring continued hospitalization *CCR, Title 9, Chapter 11, Section 1820.205(b)(2);* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
4c.	Presence of new indications which meet medical necessity criteria specified in items 1, 2, and 3 above *CCR, Title 9, Chapter 11, Section 1820.205(b)(3);* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
4d.	Need for continued medical evaluation or treatment that can only be provided if the beneficiary remains in a psychiatric inpatient hospital *CCR, Title 9, Chapter 11, Section 1820.205(b)(4);* *DMH Policy Letter No. 97-03;* *MHP Contract with DMH.*			
5.	Do clinical records indicate that consumer and/or family language needs are being met when developing the treatment plan? *CCR, Title 9, Chapter 11, Section 1810.410(a);* *DMH Information Notice No. 97-14, P. 17.*			
6.	Does the record documentation reflect staff efforts for screening, referral and coordination with other necessary services, including, but not limited to, substance abuse, educational, health, housing as well as vocational rehabilitation and Regional Center services? *CCR, Title 9, Chapter 11, Section 1810.310(a)(2)(A).*			

PLAN OF CARE

	CRITERIA	IN COMPLIANCE YES	NO	COMMENTS
7.	Does the beneficiary have a written plan of care that includes the following elements?			
7a.	Diagnoses, complaints, and complications indicating the need for admission			
7b.	A description of the functional level of the beneficiary			
7c.	Objectives			
7d.	Any orders for: Medications Treatments Restorative and rehabilitative services Activities Therapies Social services Diet Special procedures recommended for the health and safety of the beneficiary			
7e.	Plans for continuing care			
7f.	Plans for discharge			
7g.	Documentation of the beneficiary's participation in and agreement with the plan			
7h.	Documentation of the physician's establishment of this plan *CCR, Title 9, Chapter 11, Section 1820.210;* *Code of Federal Regulations (CFR), Title 42, Subchapter C, Subpart D, Sections 456.*180; *DMH Contract with the MHP, Attachment C.*			

SECTION K *UR REVIEW OF SD/MC FACILITIES*

	CRITERIA	IN COMPLIANCE YES	NO	COMMENTS
1.	Does the Utilization Review (UR) Plan address the following?			
1a.	Provides for a committee to perform UR			
1b.	Describes the organization, composition, and functions of the committee			
1c.	Specifies the frequency of the committee meetings			
	CCR, Title 9, Chapter 11, Section 1820.210; Code of Federal Regulations (CFR), Title 42, Subchapter C, Subpart D, Sections 456.201 – 205.			
2.	Is the UR Plan in compliance with each of the following?			
2a.	It contains a description of the types of records that are kept by the UR committee.			
2b.	It contains a description of the types and frequency of the URC reports and the arrangements for distribution to individuals.			
2c.	It provides for the beneficiary's confidentiality in all records and reports.			
2d.	It contains written medical care criteria to assess the need for continued stay.			
	CCR, Title 9, Chapter 11, Section 1820.210; CFR, Title 42, Subchapter C, Subpart D, Sections 456.212-213 and 456.232.			
3.	Does the UR Plan provide for the written notice of any adverse final decision on the need for continued stay within required time lines?			
	CCR, Title 9, Chapter 11, Section 1820.210; CFR, Title 42, Subchapter C, Subpart D, Section 456.237			
4.	Regarding Medical Care Evaluations (MCE) studies, does the UR plan contain the following?			
4a.	A description of the methods that the Utilization Review Committee (URC) uses to select and conduct MCE studies.			

SECTION K *UR REVIEW OF SD/MC FACILITIES*

	CRITERIA	IN COMPLIANCE YES	NO	COMMENTS
4b.	Documentation of the results of the MCE studies that shows how the results have been used to make changes to improve the quality of care and promote the more effective and efficient use of facilities and services			
4c.	Documentation that the MCE studies have been analyzed			
4d.	Documentation that actions have been taken to correct or investigate further any deficiencies or problems in the review process and recommends more effective and efficient hospital care procedures *CCR, Title 9, Chapter 11, Section 1820.210;* *CFR, Title 42, Subchapter C, Subpart D, Section 456.242.*			
5.	Does the URC include anyone who is directly responsible for the care of the beneficiary whose care is being viewed? *CCR, Title 9, Chapter 11, Section 1820.210;* *CFR, Title42, Subchapter D, Section 456.206.*			
6.	Has the URC or its designee approved or denied the initial MHP payment authorization no later than the third working day from the day of admission? *CCR, Title 9, Chapter 11, Section 1820.230(b).*			
7.	At the time of the initial MHP authorization for payment, did the hospital's URC or its designee specify the date for the subsequent MHP payment authorization determination? *CCR, Title 9, Chapter 11, Section 1820.230(c).*			
8.	Did the URC authorize payment for administrative day services only when both of the following criteria (8a & 8b) have been met?			
8a.	During the hospital stay, the beneficiary previously had met medical necessity criteria for acute psychiatric inpatient hospital services			

SECTION K *UR REVIEW OF SD/MC FACILITIES*

	CRITERIA	IN COMPLIANCE YES	NO	COMMENTS
8b.	There is no appropriate, non-acute treatment facility available and the facility has documented its minimum number of appropriate contacts *CCR, Title 9, Chapter 11, Section 1820.230(d)(2)(A) & (B).*			
9.	Are services delivered by licensed staff within their own scope of practice? *Welfare and Institutions Code 5778 (n).*			
10.	Are persons employed or under contract to provide mental health services as psychologists, social workers or marriage, family and child counselors licensed, waivered or registered with their licensing boards? *Welfare and Institutions Code 5751.2.*			
11.	Do the contents of the Medical Care Evaluation (MCE) studies meet federal requirements? *CCR, Title 9, Chapter 11, Section 1820.210;* *CFR, Title 42, Subpart D., Section 456.243.*			
12.	Has at least one MCE study been completed each calendar year? *CCR, Title 9, Chapter 11, Section 1820.210;* *CFR, Title 42, Subpart D., Section 456.245.*			
13.	Is an MCE study in progress at all times? *CCR, Title 9, Chapter 11, Section 1820.210;* *CFR, Title 42, Subpart D., Section 456.245.*			
14.	Does the MHP have a beneficiary documentation and medical record system that meets the requirements of the contract between the MHP and the department and any applicable requirements of state, federal law and regulation? *CCR Title 9, Chapter 11, Section 1810.440(c).*			