STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY PETE WILSON, Governor

DEPARTMENT OF MENTAL HEALTH
1600 - 9TH STREET
RAMENTO, CA 95814

(916) 654-2309

May 8, 1995

DMH INFORMATION NOTICE NO.: 95-08

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

SUBJECT: PSYCHIATRIC INPATIENT HOSPITAL SERVICES WAIVER

REFERENCE: RESCINDS AND REPLACES DMH INFORMATION NOTICE NO. 95-03 (February 6, 1995)

EXPIRES: Retain Until Rescinded

I am pleased to inform you that the Health Care Financing Administration (HCFA) has approved California's Freedom of Choice Waiver for Psychiatric Inpatient Hospital Services Consolidation. This approval allows county mental health plans (MHPs) to restrict Medi-Cal beneficiaries' planned psychiatric inpatient hospital admissions to contract facilities. It also allows MHPs to involuntarily transfer Medi-Cal beneficiaries between hospital providers. The waiver has been approved for a two-year period effective March 15, 1995 and ending March 14, 1997.

As a condition for approval of the waiver, HCFA specified that counties must provide notification to those Medicaid beneficiaries planning inpatient psychiatric services at the time the counties are requested to authorize such services. The HCFA waiver approval letter also states that, "It is also a condition of this approval that posters, pamphlets and flyers informing beneficiaries of the changes in the program will be made available in clinics and hospitals...prior to or at minimum on the date of implementation."

Therefore, before a MHP restricts any planned admissions to a contract provider, or involuntarily transfers clients between hospitals, the beneficiary notifications described in the preceding paragraph must take place. Enclosed is a notice that may be used to make these notifications. When a MHP authorizes a planned psychiatric inpatient hospital admission for a Medi-Cal beneficiary, the MHP must inform the client through a phone call or in-person interview about the restrictions associated with the waiver. Informing the client may also be accomplished by providing the attached notice prior to admission.

In addition, MHPs must post the enclosed notice, or a similar notice, in a conspicuous place in mental health clinics and hospitals with psychiatric inpatient services. DMH will translate the attached notice into additional languages and forward these translations to MHPs in the near future.

If you should have any questions, you may contact George Bukowski, Chief, Managed Care Implementation, at (916) 654-3720.

STEPHEN W. MAYBERG, Ph.D.
Director

Enclosure

cc: California Mental Health Planning Council
Chief, Technical Assistance and Training

NOTICE

To All Medi-Cal Beneficiaries In Need of Psychiatric Inpatient Services

Under current laws governing the federal Medicaid programs administered by the States (known as Medi-Cal in California) you may choose to receive medical assistance from any qualified provider in the state.

Recent changes in the Medi-Cal program have affected your freedom of choice of providers if you intend to enter a hospital for nonemergency inpatient psychiatric services.

Medi-Cal beneficiaries who formerly received psychiatric inpatient services under the Fee-for-Service program now have payment for services authorized by their local mental health department instead of the State Department of Health Services.

Local mental health departments have contracted with some psychiatric inpatient hospital providers to treat you. In nonemergency situations you may be required to be admitted to one of these contract hospitals. If you should need to be admitted and treated immediately for mental illness *(emergency admission)*, any hospital certified for Medi-Cal may treat you without prior authorization by the local mental health department.

If you should be admitted under an emergency to a non-contract hospital you could be transferred to a contract hospital if your condition, as determined by your treating physician or psychologist, allows it.

Local mental health departments have implemented local grievance procedures, both formal and informal, to deal with your concerns about treatment, placement, or payment for services. In addition, you may have the right to request a fair hearing at the state level. You can receive information on how to access these procedures from your local mental health department.

PLEASE CONSULT YOUR LOCAL MENTAL HEALTH DEPARTMENT IF YOU HAVE ANY QUESTIONS ABOUT THESE MATTERS. YOU WILL FIND THEIR NUMBER IN YOUR LOCAL PHONE DIRECTORY.