NEW MEGA REGS POLICY & PROCEDURE (P&P) APPROVAL REQUEST FORM

I. P&P INFORMATION

Assigned Policy Name: Medical Necessity
Assigned Policy Number: 2200

Mega Regs Policy Area(s): Mark All That Apply

☐ Plan Administration and Organization
☐ Provider Network
☐ Scope of Services
☐ Documentation Requirements
☐ Financial Reporting Requirements
☐ Coordination and Continuity of Care
☐ Management Information Systems
☐ Beneficiary Rights
☐ Quality Improvement System
☐ Beneficiary Problem Resolution
☐ Utilization Management Program
☐ Program Integrity
☐ Access and Availability of Services
☐ Reporting Requirements

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Date: 3/29/2018

Policy developed by: Sheryl Hogan

II. APPROVAL

Section A: HHS Compliance and County Counsel

HHS Compliance: Date: 4/2/2018

County Counsel: Date: 4/3/2018

Section B: BHSD Executive Director

BHSD Executive Director: Date: 4/5/2018

Note - A copy of the Approved Mega Regs P&P Form will be emailed to: BHSD Compliance Unit
Title: MEDICAL NECESSITY

Approved/Issue Date: Behavioral Health Services Director:  
Last Review/Revision Date: Next Review Date: Inactive Date:  

REFERENCE:  
- 22 CCR § 51341.1. Drug Medi-Cal Substance Use Disorder Services.  
- American Society of Addictions Medicine (ASAM) Criteria  
- BHSD #6000 Utilization Management Program  
- BHSD Clinical Practice Guidelines Manual

POLICY:  
BHSD will adhere to clear parameters around medical necessity criteria for inpatient, outpatient, EPSDT and substance use treatment services, including providing, arranging and paying for all demonstrated medically necessary covered behavioral health services given to beneficiaries with covered diagnoses, as set forth by Federal and State regulations, by industry criteria such as ASAM, and by its own Utilization Management Program and Clinical Practice Guidelines.

BHSD will not, on the basis of health status or need for health care services, discriminate against any beneficiary in its county who requires an assessment or meets medical necessity criteria for specialty mental health or substance use disorder services.

BHSD will not discriminate against any eligible beneficiary in its county who requires an assessment or meets medical necessity criteria for specialty mental health or substance use disorder services on the basis of race, color, national origin, sex, sexual orientation, gender identity, or disability and will not use any policy or practice that has the effect of
**Title: MEDICAL NECESSITY**

Discriminating on the basis of race, color, or national origin, sex, sexual orientation gender identity, or disability.

**DEFINITIONS:**

**Beneficiary.** A Medi-Cal recipient who is currently receiving services from BHSD or a BHSD contracted provider.

**Provider.** A person or entity who is licensed, certified, or otherwise recognized or authorized under state law governing the healing arts to provide specialty mental health services and who meets the standards for participation in the Medi-Cal program as described in California Code of Regulations, title 9, Division 1, Chapters 10 or 11 and in Division 3, Subdivision 1 of Title 22, beginning with Section 50000. Provider includes but is not limited to licensed mental health professionals, clinics, hospital outpatient departments, certified day treatment facilities, certified residential treatment facilities, skilled nursing facilities, psychiatric health facilities, general acute care hospitals, and acute psychiatric hospitals. The MHP is a provider when direct services are provided to beneficiaries by employees of the Mental Health Plan.

**PROCEDURE**

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<th>Responsible Party</th>
<th>Action Required</th>
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| BHSD Utilization Management Program | 1. Accepts current International Classification of Disease or Diagnostic and Statistics Manual diagnoses outlined by regulations cited within this policy.  
2. Will adopt a process of inter-rater reliability to ensure consistent application of medical necessity criteria.  
3. Conducts retrospective record reviews and audits to determine that the diagnoses are covered by regulation and that the documentation demonstrates medical necessity criteria has been met.  
4. Ensures that beneficiaries have appropriate access to specialty mental health and/or substance use disorder services. |
| Providers | 1. Assesses and re-assesses, as needed, to determine if the beneficiary meets medical necessity criteria. |
2. Documentation for reimbursement must substantiate the diagnosis and medically necessity criteria, the level of the service billed and the credential of the person that provided the service.
   a. Substance use disorders must meet ASAM medical necessity criteria.
3. Ensure medically necessary services provided will be sufficient in amount, scope and duration to reasonably achieve the purpose in which the services are furnished
   a. Services furnished are the same as those provided to fee for service Medicaid beneficiaries.
4. Will not arbitrarily reduce, limit or deny service amount, scope or duration due to diagnosis, type of illness or condition if the beneficiary still meets medical necessity criteria.
5. Will provide a beneficiary’s choice of the person providing services to the extent feasible.