



COUNTY OF YOLO
HEALTH AND HUMAN SERVICES AGENCY

POLICIES AND PROCEDURES

SECTION 5, CHAPTER 7, POLICY 008

MEDICAL NECESSITY CRITERIA FOR OUTPATIENT AND INPATIENT SPECIALTY MENTAL HEALTH SERVICES

POLICY NUMBER:	5-7-008
SYSTEM OF CARE:	MENTAL HEALTH
FINALIZED DATE:	02.23.2021
EFFECTIVE:	07.01.2020
SUPERSEDES # :	Supersedes Policy #'s: PP 500 Medical Necessity Criteria

- A. PURPOSE:** To define the Medical Necessity criteria for outpatient and inpatient Specialty Mental Health Services (SMHS) covered by the Yolo County Mental Health Plan (MHP).

- B. RELATED DOCUMENTS:** N/A

- C. DEFINITIONS:**
 - 1. **Mental Health Plan (MHP):** Yolo County HHSA Behavioral Health and Network Providers of SMHS.

 - 2. **Network Providers:** Any provider, group of providers, or entity that has a network provider agreement with Yolo County HHSA BH and receives Medicaid funding directly or indirectly to order, refer or render covered services as a result of the contract (Title 42 Code of Federal Regulations [42 CFR] § 438.2).

- D. POLICY:** The MHP shall ensure that all beneficiaries have appropriate access to SMHS. Services shall be provided to beneficiaries who meet medical necessity criteria, based on the beneficiary's need for services established by a clinical assessment.

E. PROCEDURE:

1. **Medical Necessity Criteria for Outpatient SMHS:** In order to be eligible for Medi-Cal reimbursement for outpatient SMHS, the MHP shall determine that the beneficiary meets the following medical necessity criteria set forth in Title 9 of the CCR, section 1830.205 (outpatient) and 1830.210 (EPSDT services for children and youth under age 21):
 - a. Criteria for a covered diagnosis for outpatient SMHS as specified by the Department of Health Care Services (DHCS).
 - i. The MHP shall use the criteria sets in the current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) as the clinical tool to make diagnostic determinations. Once a DSM diagnosis is determined, the MHP shall determine the corresponding mental health diagnosis in current version of the International Classification of Diseases and Related Health Problems (ICD).
 - b. At least one of the following impairments as a result of the mental disorder or emotional disturbance identified in criteria (a) above:
 - i. A significant impairment in an important area of functioning;
 - ii. A reasonable probability of significant deterioration in an important area of life functioning;
 - iii. For a beneficiary under the age of 21 years, a reasonable probability that the child will not progress developmentally as individually appropriate; or
 - iv. For full-scope Medi-Cal beneficiaries under the age of 21 years, a condition as a result of the mental disorder or emotional disturbance that SMHS can correct or ameliorate
 - c. The proposed and actual intervention(s) shall meet all of the intervention criteria listed below.
 - i. The focus of the intervention(s) addresses the condition identified above, or for full scope Medi-Cal beneficiaries under the age of 21 years, a condition as a result of the mental disorder or emotional disturbance that the SMHS can correct or ameliorate;
 - ii. The condition would not be responsive to physical healthcare-based treatment; and
 - iii. The intervention(s) will do at least one of the following:
 - a. Significantly diminish the impairment;
 - b. Prevent significant deterioration in an important area of life functioning;
 - c. For beneficiaries under the age of 21, allow the child to progress developmentally as individually appropriate; or
 - d. For full-scope Medi-Cal beneficiaries under the age of 21 years, correct or ameliorate the condition.

2. **Medical Necessity Criteria for Inpatient SMHS:** In order to be eligible for Medi-Cal reimbursement for inpatient SMHS, the MHP shall determine that the beneficiary meets the following medical necessity criteria set forth in Title 9 of the CCR, section 1820.205:
- a. Criteria for a covered diagnosis for inpatient SMHS as specified by DHCS.
 - i. The MHP shall use the criteria sets in the current version of the DSM as the clinical tool to make diagnostic determinations. Once a DSM diagnosis is determined, the MHP shall determine the corresponding mental health diagnosis in current version of the ICD.
 - b. Cannot be safely treated at a lower level of care (except that a beneficiary who can be safely treated with crisis residential treatment services or psychiatric health facility services for an acute psychiatric episode shall be considered to have met this criterion).
 - c. Requires psychiatric inpatient hospital services, as the result of a mental disorder or emotional disturbance, due to one of the following:
 - i. Has symptoms or behaviors due to a mental disorder that meet one of the following:
 - a. Represent a current danger to self or others, or significant property destruction;
 - b. Prevent the beneficiary from providing for, or utilizing, food, clothing or shelter;
 - c. Present a severe risk to the beneficiary's physical health; or
 - d. Represent a recent, significant deterioration in ability to function.
 - ii. Requires admission for one of the following:
 - a. Further psychiatric evaluation;
 - b. Medication treatment; or
 - c. Other treatment which can reasonably be provided only if the beneficiary is hospitalized.
 - d. To be eligible for continued stay services in a psychiatric inpatient hospital, the beneficiary shall meet one of the following:
 - i. Continued presence of indications which meet the medical necessity criteria for psychiatric inpatient hospital services as specified in (a) through (c) above;
 - ii. Serious adverse reaction to medications, procedures or therapies requiring continued hospitalization;
 - iii. Presence of new indications which meet medical necessity criteria for psychiatric inpatient hospital services as specified in (a) through (c) above; or
 - iv. Need for continued medical evaluation or treatment that can only be provided if the beneficiary remains in a psychiatric inpatient hospital.

F. REFERENCES:

1. CCR, title 9, § 1820.205
2. CCR, title 9, § 1830.205
3. CCR, title 9, § 1830.210
4. MHP Contract, Exhibit A, Attachment 3, item 11

Approved by:



Karen Larsen, Director
Yolo County Health and Human Services Agency

02/26/2021
Date