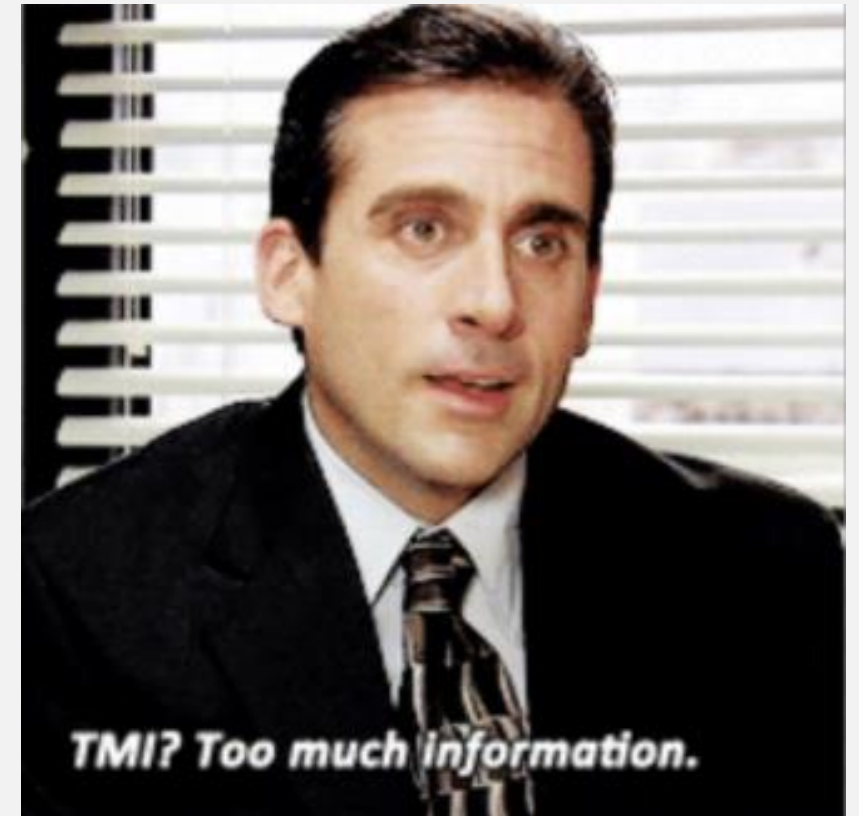


# CALAIM: MEDICAL NECESSITY AS OF JANUARY 2022

Presented by Solano County Quality Improvement

# LOTS OF INFORMATION AHEAD

- Solano QI and other Counties have reviewed the information from the DHCS regarding CalAIM updates to Medical Necessity – [BHIN 21-073](#)
- We still have a lot of questions but need to provide the information we have to the system. This means:
  - We will not have all the answers
  - It will take time for all of us to learn, adjust, and process this information and how it will impact our work
- CalAIM implementation is going to be a long process and info we share will likely change





You got  
this

## THINGS TO REMEMBER

These changes will not alter your process significantly for many clients that you see on a regular basis

We provide guidance about simple and easy work arounds to document this new info when needed

The work with your clients is beyond valuable and CalAIM's intention is to support client access to your care

# CALAIM OVERVIEW

With the California Advancing and Innovating Medi-Cal (CalAIM) initiative, the Department of Health Care Services (DHCS) aims to address Medi-Cal beneficiaries' needs across the continuum of care, ensure that all beneficiaries receive coordinated services, and improve beneficiary health outcomes. DHCS' goal is to ensure that beneficiaries have access to the right care in the right place at the right time.

CalAIM includes a suite of changes to the Medi-Cal behavioral health system to advance whole-person, accessible, high-quality care, including updates to the criteria to access specialty mental health services (SMHS), implementation of standardized statewide screening and transition tools, payment reform, and other changes.

Effective January 1, 2022, the definition of medical necessity and the criteria for access to SMHS (except for psychiatric inpatient hospital and psychiatric health facility services, which will be addressed in forthcoming guidance) is as established in BHIN 21-073 [DHCS Letterhead \(ca.gov\)](#).

# SIGNIFICANT CHANGES TO MEDICAL NECESSITY

- For Clients 21 and Over: An included diagnosis is not required to begin treatment services prior to the completion of an assessment\*
- For Clients Under 21: An included diagnosis is not required if the client meets certain criteria\*
- There are increased distinctions between requirements for clients 21 and older versus clients under the age of 21
- These changes could result in clients previously not meeting medical necessity for our services now being eligible
- Level of care will continue to be an appropriate consideration to determine what program(s) will serve a client

\* A Dx still needs to be entered in Avatar



CLIENTS 21  
AND  
OLDER

For beneficiaries 21 years of age or older, a county mental health plan shall provide covered specialty mental health services for beneficiaries who meet **both** of the following criteria, (1) and (2):

CLIENTS 21  
AND OLDER:  
CRITERIA  
1 OF 2  
(BOTH REQUIRED)

1. The beneficiary has one or both of the following:
  - a. Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.
  - b. A reasonable probability of significant deterioration in an important area of life functioning.

**AND...**

CLIENTS 21  
AND OLDER:  
CRITERIA  
2 OF 2  
(BOTH REQUIRED)

2. The beneficiary's condition as described in Criteria 1 is due to either of the following:
  - a. A diagnosed mental health disorder, according to the criteria of the current editions of the Diagnostic and Statistical Manual of Mental Disorders and the International Statistical Classification of Diseases and Related Health Problems.
  - b. A suspected mental disorder that has not yet been diagnosed.



## OLD VS. NEW – CLIENTS 21 AND OVER

1. Must have an included Dx
2. Significant impairment/probability of significant deterioration in important area of functioning due to included Dx
3. Intervention will address the impairment, intervention will diminish/prevent deterioration, and condition would not be responsive to physical health treatment



1. Significant impairment/reasonable probability of significant deterioration in important area of functioning
2. Impairment described above is due to a DSM Dx or a suspected MH disorder that has not yet been diagnosed

For enrolled beneficiaries under 21 years of age, a county mental health plan shall provide all medically necessary specialty mental health services required pursuant to Section 1396d(r) of Title 42 of the United States Code.


Covered specialty mental health services shall be provided to enrolled beneficiaries who meet **either** of the following criteria, (1) **or** (2):



CLIENTS  
UNDER  
THE AGE  
OF 21

- I. The beneficiary has a condition placing them at high risk for a mental health disorder due to experience of trauma evidenced by any of the following: scoring in the high-risk range under a trauma screening tool approved by the department, involvement in the child welfare system, juvenile justice involvement, or experiencing homelessness.

**OR...**



CLIENTS  
UNDER  
THE AGE  
OF 21:  
CRITERIA I

2. The beneficiary meets both of the following requirements in a) and b):

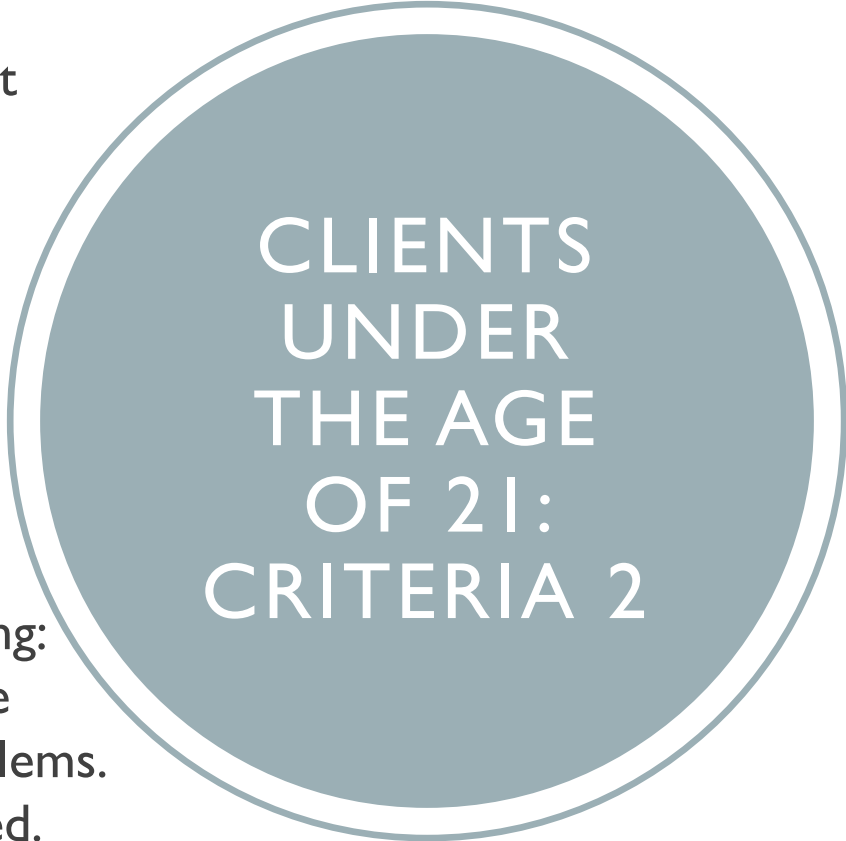
a) The beneficiary has at least one of the following:

- i. A significant impairment
- ii. A reasonable probability of significant deterioration in an important area of life functioning
- iii. A reasonable probability of not progressing as appropriate.
- iv. A need for specialty mental health services, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal managed care plan is required to provide.

**AND**

b) The beneficiary's condition described in is due to one of the following:

- i. A diagnosed mental health disorder, according to the criteria of the current editions of the DSM and the ICD and Related Health Problems.
- ii. A suspected mental health disorder that has not yet been diagnosed.
- iii. Significant trauma placing the beneficiary at risk of a future mental health condition, based on the assessment of a licensed mental health professional.



CLIENTS  
UNDER  
THE AGE  
OF 21:  
CRITERIA 2


## OLD VS. NEW – CLIENTS UNDER 21 OPTION I

1. Must have an included Dx
2. Significant impairment/probability of significant deterioration in important area of functioning due to included Dx
3. Intervention will address the impairment, intervention will diminish/prevent deterioration, and condition would not be responsive to physical health treatment



I. Client has a condition placing them at high risk of MH disorder due to trauma

## OLD VS. NEW – CLIENTS UNDER 21 OPTION 2

1. Must have an included Dx
  2. Significant impairment/probability of significant deterioration in important area of functioning due to included Dx
  3. Intervention will address the impairment, intervention will diminish/prevent deterioration, and condition would not be responsive to physical health treatment
- 
1. Client has one of the following:
    1. Significant impairment
    2. Reasonable probability of significant deterioration in important area of functioning
    3. Reasonable chance of not progressing appropriately
    4. Need for specialty mental health services, regardless of presence of impairment, that are not included within the mental health benefits that a Medi-Cal managed care plan is required to provide
  2. Impairment described above is due to one of the following:
    1. A DSM Dx
    2. A suspected MH disorder that has not yet been diagnosed
    3. Significant trauma placing client at risk for future MH condition

# INVOLVEMENT IN CHILD WELFARE DEFINITION

The beneficiary has an open child welfare services case

OR

The beneficiary is determined by a child welfare services agency to be at imminent risk of entering foster care but able to safely remain in their home or kinship placement with the provision of services under a prevention plan

OR

The beneficiary is a child whose adoption or guardianship occurred through the child welfare system

A child has an open child welfare services case if:

The child is in foster care or in out of home care, including both court-ordered and by voluntary agreement

OR

The child has a family maintenance case (pre-placement or post-reunification), including both court ordered and by voluntary agreement.

A child can have involvement in child welfare whether the child remains in the home or is placed out of the home.

## INVOLVEMENT IN CHILD WELFARE EXAMPLES

Child has a Voluntary Family Maintenance case with CWS, and child remains with parents or is staying with a relative?

**YES**

19-year-old is a Non-Minor Dependent living on her own in a SILP approved by CWS?

**YES**

Child was in foster care but is reunified and living with parent with CWS Court Family Maintenance case and services?

**YES**

Child was in foster care thru CWS then was adopted 6 years ago?

**YES**

Child was in foster care thru CWS then grandparents became legal guardians?

**YES**

A Suspected Child Abuse Report has been made & CWS is still investigating?

**NO**



# HOMELESSNESS DEFINITION

The beneficiary meets the definition established in section 11434a of the federal McKinney-Vento Homeless Assistance Act. 15 Specifically, this includes:

- Individuals who lack a fixed, regular, and adequate nighttime residence (within the meaning of section 103(a)(1) of the Act);
- (i) Children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; or are abandoned in hospitals;
- (ii) Children and youths who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings (within the meaning of section 103(a)(2)
- (iii) Children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and
- (iv) Migratory children (as such term is defined in section 1309 of the Elementary and Secondary Education Act of 1965) who qualify as homeless for the purposes of this subtitle because the children are living in circumstances described in clauses (i) through (iii).

# JUVENILE JUSTICE INVOLVEMENT DEFINITION

The beneficiary has ever been detained or committed to a juvenile justice facility

**OR**

The beneficiary is currently under supervision by the juvenile delinquency court and/or a juvenile probation agency

Beneficiaries who have ever been in custody and held involuntarily through operation of law enforcement authorities in a juvenile justice facility, including youth correctional institutions, juvenile detention facilities, juvenile justice centers, and other settings such as boot camps, ranches, and forestry/conservation camps, are included in the “juvenile justice involvement” definition.

Beneficiaries on probation, who have been released home or detained/placed in foster care pending or post-adjudication, under probation or court supervision, participating in juvenile drug court or other diversion programs, and who are otherwise under supervision by the juvenile delinquency court and/or a juvenile probation agency also meet the “juvenile justice involvement” criteria.

## JUVENILE JUSTICE INVOLVEMENT EXAMPLES

Youth was arrested,  
spent 2 days in JDF,  
released home pending  
adjudication hearing?

**YES**

Youth was arrested and  
spent one night in JDF &  
was released home with  
no charges ever filed?

**YES**

Youth was arrested and  
released home while  
placed on informal  
probation to complete a  
diversion program; no  
court wardship?

**YES**

Youth arrested, placed  
at JDF, made a ward of  
the court and  
returned home to  
family?

**YES**

Youth arrested, made  
a ward of the court  
and placed by  
Probation in a foster  
home or STRTP?

**YES**

Youth interviewed by  
police and under  
investigation but not  
arrested or detained at  
JDF?

**NO**



**BREAKING NEWS: LEVEL OF CARE DECISIONS MAY NEED TO BE WORKED OUT WITH PHC**

- **For Adults (21 years and older):**
  - **No real change** for adult beneficiaries: PHC serves those with “mild to moderate” impairment, and Solano MHP serves those with “significant” impairment (previous language was “Severe”, but CBHDA confirmed the meaning is the same)
- **For Youth (Under 21 years)**
  - It appears that cases involving CWS, Youth Probation, or homelessness are the responsibility of the MHP
  - A standardized screening tool should be available by Jan 1, 2023, to assist
    - Until then, CBHDA’s feedback was: “DHCS’ expectation is that MCPs (Partnership Health/Beacon) and MHPs (that’s Solano County and its contractors) will do their best to operationalize collaboratively”
    - We will likely attempt to use mild-moderate vs significant criteria as best we can in those scenarios
- **NOABDs:**
  - NOABDs for no Medical Necessity will need to be worked out scenario by scenario and must adhere to new criteria

## TEMPORARY DOCUMENTATION **WORKAROUNDS**

- DHCS has not provided full guidance on some aspects of what has been released regarding Medical Necessity (e.g. still determining Trauma Screening Tool, further guidance on Z codes)
- Additional CalAIM documentation updates will be released in the summer and clinical form changes will be needed
  - Since we are aware that significant efforts will be needed to update clinical forms in the near future, we are providing workarounds to use in the meantime to reflect these current Medical Necessity updates

# DIAGNOSIS

- While an included Dx may not be required in certain situations, a Dx must still be entered into Avatar using the Dx form

## **Dx Workaround:**

- Z codes are allowed as a Primary Dx
  - We are waiting on further guidance re: which Z codes are allowed
  - At this time, we know that Z03.89 - Encounter for Observation for Other Suspected Diseases and Conditions Ruled Out (previously No Diagnosis) - will not block billing. Please use this Z code as needed

- Cultural Considerations
  - Client's Preferred Lang...
  - Caregiver's Preferred L...
  - Cultural Considerations...
- Experience with Trau...
- Substance Use
- Mental Health History
- Medical Information/...
- Developmental History
- Medications
- Mental Status Exami...
- **Medical Necessity**
- Life Functioning Impair...

**Diagnostic Criteria (Include symptoms and Title 9 included diagnosis):**

Provide all the symptoms and DSM criteria to support ALL diagnoses included on the Diagnosis Screen

Continue to use this section to justify all Dx. Also use this section to explain how client meets new medical necessity criteria.

If there is no identified Dx, clearly explain other criteria that indicate client qualifies for SMHS.

**Life Functioning Impairments**

- Quality of life functioning impairments (Explain Below)
- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Cultural Community         | <input type="checkbox"/> General Social Interaction    | <input type="checkbox"/> Sleep                        |
| <input type="checkbox"/> Decision-making            | <input type="checkbox"/> Housing/residential stability | <input type="checkbox"/> Support network              |
| <input type="checkbox"/> Developmental/intellectual | <input type="checkbox"/> Local community               | <input type="checkbox"/> Vocational/occupational      |
| <input type="checkbox"/> Educational Functioning    | <input type="checkbox"/> Physical Health/self-care     | <input type="checkbox"/> Faith Community/Spirituality |

**New Med Nec Criteria Workaround:**

Any information needed to clarify new medical necessity criteria should be indicated in the "Diagnostic Criteria" section of your assessment form.

If not using the Universal Assessment, enter this information on your assessment form in a similar section.

# INTERVENTION CRITERIA

## Intervention Criteria

The focus of treatment is to address the condition identified in the Impairment Criteria, or: **Yes**

For full-scope Medi-Cal Beneficiaries under the age of 21 years, the focus of treatment is to address a condition as a result of the mental disorder/emotional disturbance that the specialty mental health services can correct or ameliorate, AND: **Yes**

The condition would not be responsive to physical health care based treatment: **Yes**

To meet intervention criteria, you must answer "yes" to at least one of the following:

Interventions will significantly diminish the impairment: **Yes**

The proposed interventions will prevent significant deterioration in an important developmentally as an individually appropriate: **Yes**

For full-scope Medi-Cal beneficiaries under the age of 21 years, the condition a mental health services can correct or ameliorate: **Yes**

**Intervention Section Workaround:**  
For Intervention Criteria items on Assessment forms, mark them accurately. A "No" for certain items will no longer indicate that a client does not meet medical necessity



## CALAIM UPDATES ON THE HORIZON

- No Wrong Door
- Universal Screening Tool
- Trauma Screening Tool
- Documentation Redesign

## RESOURCES

- Please contact your QI Liaison with questions as CalAIM unfolds
- The DHCS website has CalAIM information and access to [all BH Information Notices](#)
- [www.dhcs.ca.gov](http://www.dhcs.ca.gov)

