

Transfer of Medi-Cal Mental Health Functions From DMH to DHCS

Authority/Citation/Description	Change
Section 14702	Defines “Department” means “Department of Health Care Services;” and “Director” means “Director of Department of Health Care Services.”
Section 14703	Provides contract exemption authority from the Public Contract Code.
Section 14704	Allows provider bulletin authority
Section 14705 (links to 5718)	Specifies services are <u>specialty</u> mental health services and removes reference to Section 5719-5724.
Section 5716	This section is being deleted to remove negotiated rate.
Section 14706 (links to 5722)	Replaces “State Department of Mental Health” and “State Department of Health Services” with “Department, and specifies “specialty” mental health services.”
Section 14707 (links to 5711)	Replaces “State Department of Mental Health” and “State Department of Health Services” with “Department.” Requires DHCS to follow federal audit appeal processes unless it consults with CMHDA and determines it is not cost beneficial. Allows State offset of local funds via SCO appeals. Requires DHCS to involve counties in developing responses to draft federal audit reports.
Section 14708 (links to Section 5720)	Provides authority to the director to establish the amount of reimbursement for services provided by the MHPs.
Section 14709 (links to Section 5723)	Permits providers of mental health services to also be providers of medical assistance mental health services. Clinics providing mental health services do not need to be licensed as condition for reimbursement of medical assistance mental health services.
Section 14710 (links to Section 5721)	Replaces term “California Medical Assistance” with “Medi-Cal.” Fees paid by service recipients must be deducted from costs of providing services. Allows MHPs to negotiate a contract which permits a provider to retain unanticipated funds above the budgeted contract amount.
Section 5723.5*	This section is being deleted to remove language regarding “back claims.”

*Changes to this Section may be controversial to stakeholders

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Section 14711 (links to Section 5724)	Specifies that Short Doyle refers to the electronic claims process. Replaces “State Department of Health Services with “Department.” Authority for rate setting to maximize federal funding; use Medicare reimbursement principles as much as practicable; development and implementation or reimbursement methodology.
Section 14712 (links to Section 5775)*	Specifies implementation of managed mental health care for Medi-Cal beneficiaries through fee-for-service or capitated rate contracts with mental health plans, however removes parts that has already been implemented and affiliated timeframes.
Section 14713 (links to Section 5776)	Specifies department and mental health plan contractors compliance with federal and state laws and regulations.
Section 14714 (links to Section 5777) *	Specifies mental health contractor; financial risk for services; plan and county service protocols; plan duties; contract renewal and termination; oversight; obligations. Removes language regarding cost of services and returning any excess to the department. Removes capitated rate language. Removes Performance Improvement Project requirements.
Section 14715 (links to Section 5777.5)	Specifies the department’s requirement for MHPs to enter into MOUs with Medi-Cal managed care plans.
Section 14716 (links to Section 5777.6)	Replaces “State Department of Health Services” with “Department.” Requires the local MHP’s establishment of procedure for access to EPSDT outpatient services for children in foster care who have been placed out of county.
Section 14717 (links to Section 5777.7)	Replaces “State Department of Mental Health” with “Department.” Specifies process for providing specialty mental health services for foster child placed out of county.
Section 14718 (links to Section 5778)	Specifies provisions to matters related to specialty mental health services reimbursed <u>through a FFS system</u> . Reimbursement and claiming procedures, reviews and oversight and appeal processes. Removes certain language regarding financial responsibility for audit exceptions/disallowances. Removes reference to state matching funds being in DMH’s annual budget. Specifies that GF matching funds are subject to appropriation. Removes set aside of funds for small county risk pool. Removes allocation method of state funds for acute inpatient psychiatric services. Removes requirements for DMH and DHCS to consult with each other on invoicing process.

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Section 5719.5	Enables the department to field test components of a capitated, integrated service system of Medi-Cal mental health managed care. This section is being deleted.
Section 14719 (links to Section 5778.3)	Authorizes the Controller to use moneys in the Mental Health Managed Care Deposit Fund for loans to the General Fund.
Section 5779*	Establishes a capitated rate payment system for mental health services. This section is being deleted.
Section 14721 (links to Section 5780)	Authority to obtain necessary federal waivers to implement program.
Section 14722 (links to Section 5781)	Allows the MHP's to enter into a contract for the provision of mental health services with a hospital; room and board; routine hospital services; ancillary services.
Section 5782	Section is being deleted as this section shall only be read as incorporating the authority and oversight authority as single state agency currently maintained in other parts of the statute.
Section 14723 (links to Section 5783)	Specifies requirements for supplemental reimbursement and continues provider bulletin authority. Removes language that this program will apply to the University of California.
Section 14724 (links to Section 5719)	Specifies requirements for facilities to provide certification to the local mental health director about presumed Medi-Cal eligibility for persons admitted to facility.
Section 4070	Renames the Department of Mental Health to Department of Health Care Services
Section 4071	Removes reference to Short Doyle.
Section 14021.3	This section is being deleted since the State Plan has been amended to include TCM.
Section 14021.3 Amendments	This section is being deleted since the State Plan has been amended to include TCM.
Section 14021.4	This section is being deleted since the State Plan has been amended to include rehabilitation services.

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Authority/Citation/Description	Change
Section 14021.5	Renames DMH/DHCS or removes reference to DMH and DADP; adds provider bulletin authority. Rates for reimbursing Short Doyle mental health and drug beneficiaries; emergency regulations.
Section 14053.3	Replaces “Department of Mental Health” with “Department,” and adds language that require counties to report beneficiary IMD admissions and discharge dates.
Section 14108.1	Renames DMH/DHCS. Temporary leaves of absence from nursing facilities Temporary leaves of absence from nursing facilities
Section 14110.15	Renames DMH/DHCS. PASSR
Section 14132.73	This section is being deleted since the State Plan has been amended to include telemedicine.
Section 14167.1	Renames DMH/DHCS Definitions
Section 14167.11	Renames DMH/DHCS Hospital QAF
Section 14456.5	Renames DMH/DHCS Medi-Cal Managed Care plans and requirements.
Section 14640	Renames DMH/DHCS
Section 14680	Renames DMH/DHCS Develop mental health plans
Section 14681	Renames DMH/DHCS requires Medi-Cal managed care plan coordination with mental health plans
Section 14682*	This section is being deleted. Steering committee for development of Medi-Cal managed care systems.
Section 14683*	Renames DMH/DHCS Specifies requirements for the development of mental health plans.
Section 14684	Removes reference to rehabilitation option.
Section 14684.1	Renames DMH/DHCS Second level TAR appeals
Section 14685	Renames DMH/Department

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