Mental Health Financial Issues

California Institute for Behavioral Health Solutions (CIBHS)
Small County Fiscal Technical Assistance

March 22, 2018
Mental Health Financial Issues

- Office of Inspector General Audit
- Drug/Medi-Cal Update
- Procedure Code Claiming
- DHCS Information Notices
- State and Federal Budget Update
- Mental Health Cost Report
- MHSA Update
- Other Fiscal Issues
The Federal Office of Inspector General (OIG) conducted an audit of FFY 2014 Medi-Cal Specialty Mental Health program
  • Disallowed claims
  • Extrapolated findings to entire system
• DHCS shared report and methodology with CBHDA and CSAC
• CBHDA working with CSAC and County Counsels’ Association of California
• DHCS submitted response to OIG
• Final OIG report to be issued in the next several months
• DHCS looking at how to allocate recoupment among counties
  • DHCS stated they will most likely off-set FY18/19 Behavioral Health Subaccount distributions
Drug/Medi-Cal Update

- D/MC ODS Waiver status
  - 11 counties live
  - 11 counties approved to go live
  - 10 county fiscal plans under review
  - $84 million in total approved claims (FFP and match) since February 2017

- DHCS increasing D/MC claim submission timeframe to six months
  - Current business rules still apply until system change is implemented
    - Need to include delay reason code if over 30 days
    - Can hold claim if claim will meet six month timeframe once system change is implemented
Procedure Code Claiming

- DHCS is analyzing moving from HCPC codes to CPT codes
  - CMS reporting requirements
  - Need additional level of detail for audit reports
  - Performance outcomes system
- Only considering mental health and not substance use disorder services
- Long term project
- Cost report impact
  - Could eliminate minutes of service
  - Could simplify cost reporting
DHCS Information Notices

- 18-015 Establishing a County Contract Rate in SD/MC System
- 18-012 Claim FFP and SGF for Costs Related to Medicaid Final Rule
  - SGF only available for new costs
- 18-011 Network Adequacy Standards
  - Counties must submit initial Network Adequacy Certification Tool by March 30, 2018
- 18-010 Grievance and Appeal System Requirements
- 18-009 Diversion of County BH Subaccount Allocations for D/MC Services
  - County required to pay for all D/MC covered services to Medi-Cal beneficiaries of that county
- 18-008 County Required to Pay for Acute Psychiatric Inpatient Services in IMD
  - County MHP cannot use “IMD Exclusion” to deny services provided to Medi-Cal beneficiary in an IMD
State and Federal Budget Update

• State revisiting 2011 Behavioral Health Subaccount allocations
  • DHCS has ideas for rolling base
    • Prior year base plus prior year growth is new base
    • Claims data lag
  • DHCS will present to CBHDA and CSAC
  • Not sure when FY16/17 growth will be released
    • $98.36 million

• SAPT
  • 31 counties processes for first quarter payment
    • 14 in que for payment
    • $14 million in allocations
    • Anticipate full allocation by end of fiscal year
    • Still expending Federal Fiscal Year 2017 grant award
Mental Health Cost Report

- DHCS intends to settle all outstanding Medi-Cal Specialty Mental Health Cost Reports by end of 2020
  - FY10/11 by June 30, 2018
  - FY11/12 and FY12/13 by December 31, 2018
  - FY13/14 and FY14/15 by June 30, 2019
  - FY15/16 and FY16/17 by December 31, 2019
- Initial settlement not audit
- Will submit to audit even if errors
- Audits will increase speed at which they conduct audits

- FY16/17 Cost Report
  - Summary Template posted
    - Errors on the MH1992Detail, MHEPSDT and MHINOUT worksheets
    - DHCS wants counties to request extension (see Information Notice 17-025)
- DHCS working on FY17/18 template
  - Clean up Summary template based on policy changes
  - Anticipate posting by July 1, 2018
MHSA Update

- 25 counties submitted FY16/17 RER
  - DHCS providing list to CBHDA on periodic basis
- Almost all prior year RERs submitted
- AB114 Reversion Letters have been sent to counties
  - Some appeals
- DHCS cannot finalize reversion calculation under AB114 until county submits FY16/17 RER
- DHCS developing Information Notice for release in April on Plan requirements under AB114
- DHCS may withhold 25% of future MHSA distributions if county does not submit plan under AB114 (see Information Notice 17-059)
- DHCS intends to submit MHSA regulation package at the end of FY18/19
Other Fiscal Issues

• AB1299 Presumptive Transfer through CalMHSA
• Behavioral Health Subaccount
  • Diversion for D/MC
  • Budgeting
• MHSA Reversion
• Public Hospital Cost Reporting
• CIBHS Fiscal Leadership Institute Planning