



# **An Advocate's Guide to Medi-Cal Services**

December 2022

---

**Chapter III:  
Mental Health Services**

# Chapter III: Mental Health Services

## Outline of Medi-Cal Mental Health Services\*

- Specialty Mental Health Services
  - Rehabilitative mental health services
    - Medication support
    - Day treatment intensive care and rehabilitation
    - Crisis intervention (including community-based mobile crisis)
    - Crisis stabilization
    - Crisis residential treatment
    - Adult residential treatment
    - Psychiatric health facility services
  - Inpatient mental health services
    - Psychiatric inpatient hospital services
    - Acute psychiatric inpatient hospital services
    - Psychiatric health facility services
    - Psychiatric inpatient hospital professional services
  - Targeted case management
  - Psychiatric services
  - Psychologist services
  - Psychiatric nursing facility services
  - Peer Support Services
  - EPSDT Specialty Mental Health Services (including intensive care coordination, intensive home-based services, therapeutic behavioral services, and therapeutic foster care)
- Non-specialty Mental Health Services
  - Mental health evaluation and treatment (including individual, group, and family psychotherapy)
  - Psychological and neurological testing
  - Outpatient services for monitoring drug therapy and for beneficiaries with mild to moderate impairment of mental, emotional, or behavioral functioning
  - Outpatient laboratory, drugs, supplies, and supplements
  - Psychiatric consultation
  - Dyadic services for families
- Eating Disorder Services
- Psychotherapeutic/Psychiatric Medications

\*This is a non-exhaustive list of services. It may not include all available services.

Under federal Medicaid law, mental health services are an optional benefit for most populations.<sup>1</sup> However, all state Medicaid programs must provide mental health services to beneficiaries under age 21 pursuant to the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit of the Medicaid Act.<sup>2</sup> In California, Medi-Cal covers mental health services through different delivery systems: 1) specialty mental health services (SMHS) are delivered by County Mental Health Plans (MHPs); 2) non-specialty mental health services are delivered by Medi-Cal Managed Care Health Plans (MCPs); and 3) some services, such as psychotherapeutic medications, are delivered by Fee-for-Service (FFS) Medi-Cal. The ACA also requires MCPs to provide mental health services in compliance with the federal Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA).<sup>3</sup> As a result, mental health services cannot be subject to limitations that are more onerous than those limitations typically imposed on physical and surgical benefits.<sup>4</sup>

Through the California Advancing and Innovating Medi-Cal (CalAIM) initiative, effective July 1, 2022, California implemented a No Wrong Door Policy to ensure that all Medi-Cal beneficiaries receive timely mental health services without delay regardless of the delivery system where they seek care and that beneficiaries are able to maintain treatment relationships with trusted providers without interruption.<sup>5</sup> Under the No Wrong Door policy,

beneficiaries may concurrently receive NSMHS via a FFS or MCP provider and SMHS via a MHP provider, when the services are clinically appropriate, coordinated, and not duplicative.<sup>6</sup> Also, MCPs and MHPs are required to coordinate care for Medi-Cal beneficiaries receiving SMHS through a MHP and NSMHS or/ and physical health services through a MCP.<sup>7</sup> Moreover, if beneficiaries choose to transition from one service type to another (such as from receiving SMHS to NSMHS and vice versa), MHPs and MCPs must facilitate care transitions and guide referrals for beneficiaries.<sup>8</sup> DHCS is currently developing a set of statewide Screening and Transition of Care tools that will take effect in 2023 to facilitate screenings and transitions care for the SMHS, Medi-Cal Managed Care, and FFS.<sup>9</sup>

### **ADVOCACY TIP:**

- ✓ For Medi-Cal beneficiaries who are not enrolled in a Medi-Cal MCP, non-specialty mental health services are delivered through FFS Medi-Cal. Further, while there are regulations governing specialty mental health services in Title 9 of the California Code of Regulations, they have not been updated in many years and some of the regulations have been superseded by state or federal law. More up-to-date information can often be found in Mental Health/ Substance Use Disorder Services Information Notices or other state guidance documents.

## A. Specialty Mental Health Services in Medi-Cal

Since 1995, California has covered Medi-Cal SMHS through a prepaid inpatient health plan (PIHP) administered by each county.<sup>10</sup> These PIHPs are known as MHPs in California.

Currently, SMHS covered by MHPs include:<sup>11</sup>

- rehabilitative mental health services (which includes mental health, medication support, day treatment intensive, day rehabilitation, crisis intervention, crisis stabilization, adult residential treatment, crisis residential treatment, and psychiatric health facility services);
- psychiatric inpatient hospital services;<sup>12</sup>
- targeted case management;
- psychiatrist services;
- psychologist services;
- psychiatric nursing facility services;
- EPSDT services (including intensive care coordination, intensive home-based services, therapeutic behavioral services, and therapeutic foster care); and
- peer support services.

Effective January 1, 2023, in addition to the existing “crisis intervention services,” Medi-Cal will also cover “community-based mobile crisis intervention service” for all ages.<sup>13</sup> Crisis intervention services are “unplanned, expedited services, to or on behalf of a beneficiary to address a condition that requires more timely response than a regularly scheduled visit.”<sup>14</sup> They may be provided “anywhere in the community” but are not required to be mobile or 24/7.<sup>15</sup> MHPs are required to cover crisis intervention services as part of the requirements pursuant to their contract with DHCS.<sup>16</sup> MHPs are also required to cover crisis intervention services under EPSDT to those under age 21. Currently, DHCS has requested federal approval to for its new “community-based mobile crisis intervention” Medi-Cal benefit pursuant to Section 9813 of the American Rescue Plan Act of 2021 (ARPA).<sup>17</sup> To receive federal matching funding under the ARPA, the community-based mobile crisis service must meet all of the qualifying requirements, such as 24/7, multi-disciplinary, mobile, and not taking place in a hospital or other facility settings.<sup>18</sup>

MHPs must operate a utilization management program that ensures beneficiaries have appropriate access to SMHS and must follow all clinical documentation requirements for SMHS.<sup>19</sup> MHPs also must make SMHS available 24 hours a day, seven days a week, as needed to treat a beneficiary’s urgent condition.<sup>20</sup> An urgent psychiatric condition exists when, without timely intervention, the beneficiary’s condition is “highly likely to result in an immediate emergency psychiatric condition.”<sup>21</sup> In addition, each MHP is required to maintain a 24-hour toll-free telephone number with language capabilities for all languages spoken in the county to provide general

information about SMHS to beneficiaries and providers, and to facilitate authorization of urgent mental health services.<sup>22</sup>

While prior authorization or MHP referral is required for some SMHS, including intensive home-based services (IHBS), day treatment intensive, day rehabilitation, therapeutic behavioral services, and therapeutic foster care, prior authorization may NOT be required for mental health assessment services (including initial assessment), crisis intervention, crisis stabilization, targeted case management, intensive care coordination, peer support services, and medication support services.<sup>23</sup> Additionally, each MHP is financially responsible for payment of emergency psychiatric services provided to its enrollees.<sup>24</sup> MHPs may not require prior authorization for emergency services.<sup>25</sup> Emergency psychiatric services are covered by the MHP when the recipient has been admitted to a hospital or a psychiatric health facility due to either being a current danger to self or others, or unable to provide for, or utilize, food, shelter or clothing, due to a mental disorder.<sup>26</sup>

MHPs have additional obligations to certain Medi-Cal beneficiaries. For example, MHPs are obligated to reimburse Indian Health Care Providers (IHCPs) for the provision of SMHS to all American Indian/Alaska Native (AI/AN) Medi-Cal beneficiaries, even when the IHCP is not contracted with the MHP.<sup>27</sup> Also, each MHP must make a good faith effort to contract with all IHCPs located in the MHP's county and document those efforts.<sup>28</sup>

## **1. Specialty Mental Health Services for Beneficiaries over the age of 21**

For individuals 21 years of age or older, a service is “medically necessary” or a “medical necessity” when it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain.<sup>29</sup> These beneficiaries are eligible for SMHS when meeting both of the following criteria:<sup>30</sup>

- The beneficiary has one or both of the following:
  - Significant impairment, where impairment is defined as distress, disability, or dysfunction in social, occupational, or other important activities.
  - A reasonable probability of significant deterioration in an important area of life functioning.
- The beneficiary's condition is due to either of the following:
  - 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.
  - A suspected mental disorder that has not yet been diagnosed.

Pursuant to changes adopted through CalAIM, a mental health diagnosis is not a prerequisite to access covered SMHS.<sup>31</sup>

MHPs are required to establish and implement written policies and procedures for the authorization of SMHS (whether voluntary or involuntary) and to include the procedures for obtaining benefits (including any requirements for service authorizations or/and referrals for SMHS) in the beneficiary handbook.<sup>32</sup> MHPs also must disclose to beneficiaries, upon request, the utilization management or utilization review policies and procedures that the MHP (or any entity that the MHP contracts with) uses to authorize, modify, or deny SMHS.<sup>33</sup>

All MHP decisions to modify or deny a treatment request shall be made by a physician or psychologist who has appropriate expertise in addressing the beneficiary's behavioral health needs.<sup>34</sup> If a MHP modifies or denies an authorization request, the MHP shall notify the beneficiary in writing of the adverse benefit determination before the hospital discontinues inpatient psychiatric hospital services.<sup>35</sup> Also, if a MHP denies a hospital's authorization request, it must work with the treating provider to develop a plan of care that is appropriate for the needs of the beneficiary before any service and payment for services may be discontinued.<sup>36</sup> MHPs may conduct retrospective authorization of inpatient SMHS under limited circumstances.<sup>37</sup>

## 2. Specialty Mental Health Services for Children and Youth Under Age 21

Consistent with the EPSDT benefit, MHPs must use less stringent medical necessity criteria, and provide a broader array of services to beneficiaries under age 21. Specifically, consistent with federal and state law, MHPs must provide services when they are necessary to correct or ameliorate a child or adolescent's illness or condition, which extends to mental health conditions.<sup>38</sup> Furthermore, pursuant to state guidance implementing federal EPSDT and state law requirements, MHPs are required to provide all medically necessary SMHS to any beneficiary under age 21 who meet either of the following criteria:

**Criteria 1:** has a condition placing the youth at high risk for a mental health disorder due to experiencing trauma evidenced by 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.<sup>39</sup>

**Criteria 2:** (a) has "a significant impairment, a reasonable probability of significant deterioration in an important area of life functioning, a reasonable probability of not progressing developmentally as appropriate, **or** a need for SMHS regardless of the presence of an impairment, that are not included as NSMS required to be provided by the MCP, **and** (b) has a diagnosed mental disorder, a suspected mental disorder not yet diagnosed, or a significant trauma placing the beneficiary at risk of a future mental health condition, based on the assessment of a licensed mental health professional.<sup>40</sup> A mental health diagnosis is not required, and a suspected mental health disorder that has not

yet been diagnosed, or significant trauma placing the beneficiary at risk of a future mental health condition, also can be a qualifying factor.

In addition, MHPs must provide mental health diagnostic services and treatment to beneficiaries under 21 when they meet those medical necessity criteria, even when requested services are “not otherwise covered...specialty mental health services.”<sup>41</sup> Some SMHS under EPSDT for children and adolescents have been established through litigation, including intensive care coordination, intensive home-based services, therapeutic behavioral services, and therapeutic foster care.<sup>42</sup>

MHPs are obligated to provide any medically necessary intensive care coordination, intensive home-based services, and therapeutic behavioral services to all children and youth under the age of 21 eligible for full-scope Medi-Cal.<sup>43</sup> Each MHP must make these services available in all geographic service areas served by the MHP and may not restrict eligibility to children who have open child welfare services cases.<sup>44</sup>

Beneficiaries under 21 under may be able to access services through the Short Term Residential Therapeutic Program (STRTP). STRTP was established through the Continuum of Care Reform to provide SMHS to children with mental health needs within a short-term residential therapeutic setting that relies on integrated trauma-informed community care to assist in resiliency and permanency outcomes for the child.<sup>45</sup> Starting October 1, 2021, a Qualified Individual Assessment must be completed any time a child or youth is placed in a STRTP to determine if the child or youth’s needs may instead be met with family members, in a family home, or in one of the other approved settings.<sup>46</sup> MHPs are responsible for certifying the person completing the Qualified Individual Assessment, which should be a SMHS provider who may recommend appropriate SMHS services for the child or youth.<sup>47</sup> Family-based aftercare services must also be provided to families as a medically necessary SMHS, if all necessary federal approvals are obtained, state and federal Medi-Cal requirements are met, and federal financial participation is not jeopardized.<sup>48</sup>



## **ADVOCACY TIP:**

- ✓ MHPs must work to coordinate services for children who move to a different county as a result of an adoption or child welfare placement. If you are working with families of such children, make sure both the sending MHP and the receiving MHP are working together to ensure the child is receiving all medically necessary specialty mental health services.
- ✓ When there is a dispute between an MHP and an MCP over who is responsible for providing a medically necessary mental health service, the plans must have a process for resolving such disputes and may submit a service delivery dispute to DHCS if they are unable to resolve them on their own.<sup>49</sup>
- ✓ If there is a dispute between a hospital, provider or beneficiary, and the MCP about the need for transportation, the beneficiary may file a grievance or appeal with the MCP and also contact the Ombudsman's Office.
- ✓ The County of Responsibility listed in MEDs, MEDSLITE, and Automated Eligibility Verification System (AEVS) file determines which county's MHP is responsible for providing or arranging SMHS, approving care, and paying claims for medically necessary services for beneficiaries. If there is any dispute, the county identified in the system shall provide, arrange, and pay for all eligible services, no matter where the beneficiary is located or residing, until the dispute is resolved and another MHP is determined responsible.<sup>50</sup>

### ***Non-Medical Transportation and Non-Emergency Medical Transportation***

Medi-Cal beneficiaries in behavioral health inpatient and residential facilities may receive transportation services, both during the stay and after discharge, and after discharge from an emergency department visit:<sup>51</sup>

- If the beneficiary is enrolled in a Medi-Cal MCP, the MCP must arrange for and provide Non-Medical transportation (NMT) or Non-emergency medical transportation (NEMT) in the following situations: (i) Transportation to medical, dental, or behavioral health appointments for all Medi-Cal services, including those not covered by the MCP contract; (ii) Transportation for transfer from general acute care hospitals or emergency departments to psychiatric facilities, including psychiatric hospitals, skilled nursing facilities, and mental health rehabilitation centers; or (iii) Transportation after discharge from an admission (inpatient or residential care, whether or not the facility is an Institution for Mental Diseases, emergency visit, or an out of county facility).
- If the beneficiary is not enrolled in a MCP (or is in FFS Medi-Cal) and needs NEMT, the providers should have access to NEMT providers 24/7 in their area



(or if none is available, access to DHCS's helpline). If the beneficiary is in FFS Medi-Cal and needs NMT, the beneficiary can either call a previously used NMT provider, access a provider from the approved NMT providers list, call NMT in nearby counties, or send a request to DHCS.<sup>52</sup>

### **Peer Support Services**

Effective July 1, 2022, Peer Support Services are an optional behavioral health Medi-Cal benefit in California.<sup>53</sup> Peer Support Services are a distinct service type under the SMHS System for counties that opt in to cover the service.<sup>54</sup> The benefit also adds Peer Support Specialists as a distinct Medi-Cal provider type. Peer support services are “culturally competent individual and group services that promote recovery, resiliency, engagement, socialization, self-sufficiency, self-advocacy, development of natural supports, and identification of strengths through structured activities such as group and individual coaching to set recovery goals and identify steps to reach the goals.”<sup>55</sup> Services aim to prevent relapse, empower beneficiaries through strength-based coaching, support linkages to community resources, and to educate beneficiaries and their families about their conditions and the process of recovery.<sup>56</sup>

Peer support services may be provided with the beneficiary or significant support person(s) and may be provided in a clinical or non-clinical setting. Peer support services can include contact with family members or other collaterals (family members or other people supporting the beneficiary) if the purpose of their participation is to focus on the treatment needs of the beneficiary by supporting the achievement of the beneficiary's treatment goals. They include the following components:<sup>57</sup>

- Educational Skill Building Groups: a supportive environment in which beneficiaries and their families learn coping mechanisms and problem-solving skills;
- Engagement: encouraging and supporting beneficiaries to participate in behavioral health treatment, including supporting beneficiaries in their transitions between levels of care;
- Therapeutic Activity: a structured non-clinical activity provided to promote recovery, wellness, self-advocacy, relationship enhancement, development of natural supports, self-awareness and values, and the maintenance of community living skills.

Peer Support Specialists are individuals who have been successful in the recovery process and wish to use their lived experience to help others in similar situations. Peer Support Specialists providing Medi-Cal benefits must receive Peer Support Specialist Certification consistent with DHCS guidance and deliver the new Peer Support Services Medi-Cal benefit.<sup>58</sup> A county or an agency representing the county is responsible for developing, overseeing, and enforcing a peer support specialist certification program.<sup>59</sup> Peer Support Specialists are

not required to complete any areas of specialization training, although certification programs are required to make areas of specialization training available to Peer Support Specialists.<sup>60</sup> Certified Peer Support Specialists must be over the age of 18.<sup>61</sup>

## **B. Non-Specialty Mental Health Services in Medi-Cal**

Since 2014, MCPs have been required to deliver non-specialty mental health services (NSMHS) to their enrollees. As part of the Affordable Care Act (ACA), starting on January 1, 2014, California was required to provide behavioral health services, including mental health services, to the Medicaid Expansion population.<sup>62</sup> California elected to align the mental health benefits offered to both the traditional and expansion Medi-Cal populations, and thus provides the same scope of behavioral health services to all Medi-Cal beneficiaries.<sup>63</sup>

To implement the alignment, California requires MCPs to cover the following mental health services:<sup>64</sup>

- Mental health evaluation and treatment (including individual, group, and family psychotherapy);
- Psychological and neurological testing, when clinically indicated to evaluate a mental health condition;
- Outpatient services for the purposes of monitoring drug therapy;
- Outpatient laboratory, drugs, supplies, and supplements;
- Psychiatric consultation; and
- Dyadic care services.

NSMHS are covered by the MCPs even when: 1) services are provided prior to determination of a diagnosis, during the assessment period, or prior to a determination of whether NSMHS or SMHS access criteria are met; 2) services are not included in an individual treatment plan; 3) the member has a co-occurring substance use disorder (SUD); or 4) NSMHS and SMHS services are already provided concurrently, as long as those services are coordinated and not duplicated.<sup>65</sup> Further information on SUD can be found in Chapter IV of this Guide.

### **1. Non-Specialty Mental Health Services for ages 21 and over**

MCPs must provide NSMHS for members of any age with potential mental health disorders not yet diagnosed and members who are 21 years of age and older with “mild to moderate impairment of mental, emotional, or behavioral functioning.”<sup>66</sup> For this reason, the scope of services provided by the Medi-Cal plans to adult enrollees is sometimes referred to as “mild to moderate.” NSMHS services must be provided to beneficiaries age 21 and over when they are “reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain.”<sup>67</sup>

Additional requirements may apply for certain conditions. For example, MCPs must cover up to 20 individual and/ or group counseling sessions for pregnant and postpartum individuals with specified risk factors for perinatal depression when sessions are delivered during the prenatal period and/or during the 12 months following childbirth.<sup>68</sup>

## 2. Non-Specialty Mental Health Services for Children and Youth Under Age 21

As described above, both specialty and non-specialty mental health services must be provided under federal EPSDT obligations to beneficiaries under age 21 when they are necessary to correct or ameliorate a child's or adolescent's illness or condition.<sup>69</sup> Therefore, children and youth are entitled to non-specialty and specialty mental health services regardless of the severity of their condition.<sup>70</sup>

MCPs have obligations to provide EPSDT screening services and NSMHS to all members under age 21.<sup>71</sup> MCPs must provide psychotherapy to members under the age of 21 with specified risk factors or with persistent mental health symptoms in the absence of a mental health disorder diagnosis.<sup>72</sup>

Effective January 2023, Medi-Cal also covers dyadic services for families, which are integrated physical and behavioral health screenings and services provided to the entire family based on a child's Medi-Cal eligibility, even if other family members are not eligible for Medi-Cal.<sup>73</sup> The dyadic services benefit will allow providers to offer family and caregiver focused services at the child's medical visits.<sup>74</sup> Specific services offered to family members and caregivers through the dyadic services benefit may include screening, assessment, evaluation, and case management services, in addition to integrated behavioral health services, tobacco cessation counseling, and alcohol and/or drug use Screening, Brief Interventions and Referral to Treatment (SBIRT).<sup>75</sup>

### ADVOCACY TIP:

- ✓ While plans are responsible for different services, they still have a responsibility to coordinate services between plans. These coordination obligations are spelled out in Memorandums of Understanding (MOUs) between plans.<sup>76</sup> Advocates should review those MOUs when assisting clients who are receiving both specialty and non-specialty mental health services, or who are moving from one plan type to the other.
- ✓ When there is a dispute between an MHP and an MCP over who is responsible for providing a medically necessary mental health service, the plans must have a process for resolving such disputes, and may submit disputes to DHCS for resolution if they are unable to resolve them on their own.<sup>77</sup> The dispute resolution process between plans is required to ensure that beneficiaries have continued access to medically necessary services while the dispute is pending.<sup>78</sup>

MCPs cannot require prior authorization for an initial mental health assessment. Psychological services are covered services when ordered by a PCP, but if a PCP cannot perform the mental health assessment because it is outside of their scope of practice, they must refer the beneficiary to the appropriate mental health provider. If a recipient has fee-for-service Medi-Cal and is not enrolled in an MCP, the recipient can go to any Medi-Cal provider who accepts Medi-Cal and provides mental health services.<sup>79</sup>

### **C. Eating Disorders Services**

Eating Disorders are complex conditions that involve both physical and psychological symptoms and complications.<sup>80</sup> Thus, MCPs and MHPs share joint responsibility to provide medically necessary services to Medi-Cal beneficiaries with eating disorders. While MCPs are responsible for the physical health components of eating disorder treatment and NSMHS (including comprehensive medical case management services), MHPs are responsible for the SMHS components of eating disorder treatment (including both inpatient and outpatient).

### **D. Psychotherapeutic Medications**

Psychotherapeutic medications in Medi-Cal are provided through the Medi-Cal Rx program.<sup>81</sup> These medications may be prescribed by either an MCP or MHP provider, and fulfilled by a participating pharmacy.<sup>82</sup> In general, MCPs are responsible for coordinating the provision of these carved-out medications to their enrollees.<sup>83</sup> Prescribing and administration of psychotropic medications requires specific procedures and informed consent from the beneficiary or appropriate authorizing entity.<sup>84</sup>

# Endnotes

---

- <sup>1</sup> Most mental health services are provided pursuant to the rehabilitative services option (42 U.S.C. § 1396d(a)(xvii)(13); 42 C.F.R. § 440.130(c)) or other licensed practitioner option (42 U.S.C. § 1396d(a)(xvii)(6); 42 C.F.R. 440.60). Some services may also be delivered as part of broader optional benefits, such as pharmacy benefits (42 U.S.C. §§ 1396d(a)(xvii)(12), 1396r-8; 42 C.F.R. § 440.120), or targeted case management (42 U.S.C. § 1396n(g)).
- <sup>2</sup> 42 U.S.C. 1396d(r); CAL. WELF. & INST. CODE § 14132(v); see also Cal. Dep't Health Care Servs., All Plan Letter 14-017 (Dec. 12, 2014), <http://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2014/APL14-017.pdf>; Cal. Dep't Health Care Servs., Mental Health and Substance Use Disorder Services Information Notice No. 16-061 (Dec. 9, 2016), [https://www.dhcs.ca.gov/formsandpubs/Documents/MHSUDS%20Information%20Notices/MHSUDS\\_16-061.pdf](https://www.dhcs.ca.gov/formsandpubs/Documents/MHSUDS%20Information%20Notices/MHSUDS_16-061.pdf) [hereinafter Mental Health and Substance Use Disorder Services Information Notice No. 16-061].
- <sup>3</sup> For the requirement to comply with parity with regards to Medicaid MCPs, see 42 U.S.C. § 1396u-2(b)(8). See also 42 C.F.R. §§ 438.900-438.930.
- <sup>4</sup> 42 U.S.C. § 300gg-26.
- <sup>5</sup> CAL. WELF. & INST. CODE § 14184.402(f)(1). Cal. Dep't Health Care Servs., CalAIM, <https://www.dhcs.ca.gov/calaim> (last visited Aug. 3, 2022); see also Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-011 (March 31, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-011-No-Wrong-Door-for-Mental-Health-Services-Policy.pdf>; see also Cal. Dep't Health Care Servs., All Plan Letter 22-005 (March 30, 2022), <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2022/APL22-005.pdf> [hereinafter All Plan Letter 22-005]; and Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 21-073 at 5 (Dec. 10, 2021), <https://www.dhcs.ca.gov/Documents/BHIN-21-073-Criteria-for-Beneficiary-to-Specialty-MHS-Medical-Necessity-and-Other-Coverage-Req.pdf> [hereinafter Behavioral Health Information Notice No. 21-073].
- <sup>6</sup> All Plan Letter 22-005, *supra* note 5.
- <sup>7</sup> MCPs are required to provide medical case management and cover all medically necessary Medi-Cal covered physical health care services for beneficiaries receiving SMHS through MHPs. Cal. Dep't Health Care Servs., All Plan Letter 22-006 (April 8, 2022), <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2022/APL22-006.pdf> [hereinafter All Plan Letter 22-006].
- <sup>8</sup> *Id.*
- <sup>9</sup> *Id.*



- <sup>10</sup> The PIHP model was phased in between 1995 and 1998 as part of a Medicaid Waiver, known as a 1915b “Freedom of Choice” Waiver (“1915b Waiver”), which allowed the State to require beneficiaries to receive covered mental health services through one plan per county. See Sarah Arnquist & Peter Harbage, Cal. Health Care Found., *A Complex Case: Public Mental Health Delivery and Financing in California* 15-18 (2013), <https://www.chcf.org/wp-content/uploads/2017/12/PDF-ComplexCaseMentalHealth.pdf> (describing this history). California most recently renewed its 1915(b) waiver for a five-year period starting on January 1, 2022. CMS, Approval Letter for California Advancing & Innovating Medi-Cal Section 1915(b) Waiver (Dec. 29, 2021), <https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/ca-calaim-ca-17-appvl-ltr.pdf> [hereinafter Approval Letter for CalAIM Section 1915(b) Waiver]; CMS, Special Terms and Conditions for California Advancing & Innovating Medi-Cal Section 1915(b) Waiver (2021), <https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/ca-calaim-ca-17-stc.pdf>.
- <sup>11</sup> CAL. CODE REGS. tit. 9, § 1810.247; see also Cal. Dep’t Health Care Servs., Mental Health and Substance Use Disorder Services Information Notice No. 18-054, Enclosure 1, at 3 (Nov. 2 2018), [https://www.dhcs.ca.gov/services/MH/Documents/Information%20Notices/IN-18-054\\_Annual\\_Review\\_Protocol/Enclosure\\_1-Annual\\_Review\\_Protocol\\_for\\_SMHS\\_and\\_Other\\_Funded\\_%20Programs\\_FY\\_18-19.pdf](https://www.dhcs.ca.gov/services/MH/Documents/Information%20Notices/IN-18-054_Annual_Review_Protocol/Enclosure_1-Annual_Review_Protocol_for_SMHS_and_Other_Funded_%20Programs_FY_18-19.pdf) [hereinafter Mental Health and Substance Use Disorder Services Information Notice No. 18-054]; Cal. Dep’t Health Care Servs., All Plan Letter 17-018 (Oct. 17, 2017), <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2017/APL17-018.pdf> [hereinafter All Plan Letter 17-018]. See also Cal. Dep’t Health Care Servs., Peer Support Services, <https://www.dhcs.ca.gov/services/Pages/Peer-Support-Services.aspx> (last visited Aug. 8, 2022).
- <sup>12</sup> MHPs cover the following inpatient specialty mental health services: acute psychiatric inpatient hospital services, psychiatric health facility services, and psychiatric inpatient hospital professional services. CAL. CODE REGS. tit. 9, §§ 1810.201, .237, .237.1, .238, .239, .345, .350. See also Cal. Dep’t Health Care Servs., Mental Health and Substance Use Disorder Services Information Notice No. 18-008 (Feb. 7, 2018), [https://www.dhcs.ca.gov/services/MH/Documents/FMORB/MHSUDS\\_Information\\_Note\\_18-008-IMD-FINAL.pdf](https://www.dhcs.ca.gov/services/MH/Documents/FMORB/MHSUDS_Information_Note_18-008-IMD-FINAL.pdf). In general, MHPs only provide inpatient care in hospitals that participate in FFS Medi-Cal. See CAL. CODE REGS. tit. 9, § 1820.100(a); see also All Plan Letter 17-018, *supra* note 11, at 10.
- <sup>13</sup> Cal. Dep’t Health Care Servs., Mobile Crisis Services, <https://www.dhcs.ca.gov/Pages/CalAIM-Mobile-Crisis-Services-Initiative.aspx> (last visited Dec. 17, 2022). See also Cal. Dep’t Health Care Servs., Draft Behavioral Health Information Notice No. 22-XXX (Nov. 9, 2022), <https://www.dhcs.ca.gov/Documents/Mobile-Crisis-BHIN-for-Stakeholder-Feedback-11-9-22.pdf> [hereinafter Draft Behavioral Health Information Notice No. 22-XXX].

- <sup>14</sup> Cal. Dep't Health Care Servs., State Plan Amendment Request # 22-0043 (Oct. 24, 2022), <https://www.dhcs.ca.gov/Documents/SPA-22-0043-Pending-Redacted.pdf>.
- <sup>15</sup> CAL. CODE REGS. tit. 9, § 1840.336.
- <sup>16</sup> Cal. Dep't Health Care Servs., *Mental Health Plan Boilerplate Contract*, Exhibit A, Attachment 2 (2022), <https://www.dhcs.ca.gov/Documents/2022-27-MHP-Contract-Exhibit-A-PSS-Boilerplate-and-Exhibit-B-E.pdf>.
- <sup>17</sup> 42 U.S.C. § 1396w-6.
- <sup>18</sup> Id. at § 1396w-6(b). See also Draft Behavioral Health Information Notice No. 22-XXX, *supra* note 13, at 4.
- <sup>19</sup> CAL. CODE REGS. tit. 9 § 1810.440(b); 42 C.F.R., § 438.210, subd. (b)(1), (b)(2); The clinical documentation requirements took effect on July 1, 2022 and applies to all SMHS, DMC, and DMC-ODS services. CAL. WELF. & INST. CODE § 14184.402; Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-019 (April 22, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-019-Documentation-Requirements-for-all-SMHS-DMC-and-DMC-ODS-Services.pdf>.
- <sup>20</sup> CAL. CODE REGS. tit. 9, § 1810.405(c); Mental Health and Substance Use Disorder Services Information Notice No. 18-054, *supra* note 11, at 4.
- <sup>21</sup> CAL. CODE REGS. tit. 9, § 1810.253.
- <sup>22</sup> CAL. CODE REGS. tit. 9, § 1810.405(d).
- <sup>23</sup> Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-016 (April 15, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-016-Authorization-of-Outpatient-Specialty-Mental-Health-Services.pdf>.
- <sup>24</sup> 42 C.F.R. § 438.114(b); Cal. Dep't Mental Health, DMH Letter 03-08 (Dec. 2, 2003), <https://www.dhcs.ca.gov/formsandpubs/MHArchiveLtrs/MH-Ltr03-08.pdf>.
- <sup>25</sup> CAL. CODE REGS. tit. 9, § 1820.220(l)(2); Cal. Dep't Health Care Servs., Mental Health and Substance Use Disorder Services Information Notice No. 19-026 (May 31, 2019), [https://www.dhcs.ca.gov/services/MH/Documents/FMORB/MHSUDS\\_IN\\_19-026\\_Authorization\\_of\\_SMHS.pdf](https://www.dhcs.ca.gov/services/MH/Documents/FMORB/MHSUDS_IN_19-026_Authorization_of_SMHS.pdf) [hereinafter Mental Health and Substance Use Disorder Services Information Notice No. 19-026]
- <sup>26</sup> CAL. CODE REGS. tit. 9, §§ 1820.225(b), 1820.200(d); see also Mental Health and Substance Use Disorder Services Information Notice No. 19-026, *supra* note 25, at 8; Mental Health and Substance Use Disorder Services Information Notice No. 18-054, *supra* note 11, Enclosure 1, at 3.
- <sup>27</sup> 42 C.F.R. § 438.14(b); see also Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-020 (April 27, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-020-County-Mental-Health-Plan-Obligations-Related-to-Indian-Health-Care-Providers.pdf>.
- <sup>28</sup> Cal. Dep't Health Care Servs., *supra* note 27.



- <sup>29</sup> CAL. WELF. & INST. CODE § 14184.402(a).
- <sup>30</sup> CAL. WELF. & INST. CODE § 14184.402(c); Behavioral Health Information Notice No. 21-073, *supra* note 5, at 3.
- <sup>31</sup> CAL. WELF. & INST. CODE § 14184.402(f)(1)(A). *See also* Behavioral Health Information Notice No. 21-073, *supra* note 5, at 6.
- <sup>32</sup> Cal. Dep’t Health Care Servs., Behavioral Health Information Notice No. 22-017 at 4–5 (April 15, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-017-Concurrent-Review-Standards-and-Updated-Criteria-for-Psychiatric-Inpatient-Hospital.pdf>.
- <sup>33</sup> *Id.* at 5.
- <sup>34</sup> *Id.* at 9.
- <sup>35</sup> *Id.*
- <sup>36</sup> *Id.* at 9–10.
- <sup>37</sup> *Id.* at 11.
- <sup>38</sup> 42 U.S.C. § 1396d(r)(5); CAL. WELF. & INST. CODE §§ 14059.5(a), 14184.402(a). *See also* Behavioral Health Information Notice No. 21-073, *supra* note 5, at 3.
- <sup>39</sup> Behavioral Health Information Notice No. 21-073, *supra* note 5, at 4.
- <sup>40</sup> *Id.*
- <sup>41</sup> CAL. CODE REGS. tit. 9, § 1810.215. For more information on covered SMHS for beneficiaries under 21, see Behavioral Health Information Notice No. 21-073, *supra* note 5.
- <sup>42</sup> *See generally* Cal. Dep’t Health Care Servs., *Medi-Cal Manual: For Intensive Care Coordination (ICC), Intensive Home Based Services (IHBS), and Therapeutic Foster Care (TFC) Services for Medi-Cal Beneficiaries* (3d. ed. 2018), [https://www.dhcs.ca.gov/Documents/ChildrensMHContentFlaggedForRemoval/Manuals/Medi-Cal\\_Manual\\_Third\\_Edition.pdf](https://www.dhcs.ca.gov/Documents/ChildrensMHContentFlaggedForRemoval/Manuals/Medi-Cal_Manual_Third_Edition.pdf); *see also* Cal. Dep’t Health Care Servs., Behavioral Health Information Notice No. 21-058 (Sept. 17, 2021), <https://www.dhcs.ca.gov/Documents/BHIN-21-058-Claiming-for-Intensive-Care-Coordination.pdf> [hereinafter Behavioral Health Information Notice No. 21-058] (describing requirements for intensive care coordination, intensive home-based services, and therapeutic foster care services); For more information about the EPSDT requirements, see Chapter VIII of this Guide on Children’s Health Services.
- <sup>43</sup> *See generally* Behavioral Health Information Notice No. 21-058, *supra* note 42.
- <sup>44</sup> *Id.* at 2.
- <sup>45</sup> Cal. Dep’t Health Care Servs., Behavioral Health Information Notice No. 21-060 at 3 (Sept. 30, 2021), <https://www.dhcs.ca.gov/Documents/BHIN-21-060-ACIN-21-113-FFPSA-QI-ACL.pdf>.
- <sup>46</sup> *Id.* at 5.

- <sup>47</sup> Behavioral Health Information Notice No. 21-058, *supra* note 42, at 6.
- <sup>48</sup> *Id.*; see also Cal. Dep't Health Care Servs. and Dep't Social Servs., *FFPSA Part IV Aftercare Requirements* (Sept. 30, 2021), <https://www.dhcs.ca.gov/Documents/BHIN-21-061-CDSS-DHCS-FFPSA-Aftercare-Letter.pdf>.
- <sup>49</sup> Dispute Resolution Process Guidance to MHPs is provided in the Behavioral Health Information Notice, and guidance to MCPs is provided in the All Plan Letter. See Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 21-034 (Oct. 4, 2021), <https://www.dhcs.ca.gov/Documents/BHIN-21-034-Dispute-Resolution-Process-Between-MHPs-and-MCPs.pdf> [hereinafter Behavioral Health Information Notice No. 21-034]; see Cal. Dep't Health Care Servs., All Plan Letter 21-013 (Oct. 4, 2021), <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2021/APL21-013.pdf> [hereinafter All Plan Letter 21-013].
- <sup>50</sup> Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 21-072 (Dec. 9, 2021), <https://www.dhcs.ca.gov/Documents/BHIN-21-072-County-of-Responsibility-for-SMHS-Arbitration-Between-MHPs.pdf>.
- <sup>51</sup> Non-medical transportation (NMT) is for beneficiaries who do not need medical assistance during transit and non-emergency medical transportation (NEMT) is for when the beneficiary's medical and physical condition is such that transport by ordinary means of public or private conveyance is medically contraindicated. See Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-031 (May 23, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-031-Transportation-for-Beneficiaries-Receiving-BH-Residential-Inpatient-or-Emergency-Department-Services.pdf>.
- <sup>52</sup> *Id.*; Approved Nonmedical Transportation Providers is listed by county. Cal. Dep't Health Care Servs., List of Approved Nonmedical Transportation Providers, <https://www.dhcs.ca.gov/services/medi-cal/Documents/List-of-Approved-Nonmedical-Transportation-Providers.pdf> (last visited Aug. 9, 2022).
- <sup>53</sup> CAL. WELF. & INST. CODE § 14045.14; See also Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-018 (April 21, 2022), [https://www.dhcs.ca.gov/Documents/CSD\\_YV/BHIN/BHIN-22-018.pdf](https://www.dhcs.ca.gov/Documents/CSD_YV/BHIN/BHIN-22-018.pdf); see also Cal. Dep't Health Care Servs., Medi-Cal Peer Support Specialist Certification Program Implementation (July 22, 2021), [https://www.dhcs.ca.gov/Documents/CSD\\_BL/BHIN-21-041.pdf](https://www.dhcs.ca.gov/Documents/CSD_BL/BHIN-21-041.pdf).
- <sup>54</sup> See Cal. Dep't Health Care Servs., Peer Support Services, <https://www.dhcs.ca.gov/services/Pages/Peer-Support-Services.aspx> (last visited Aug. 17, 2022). The service is also available for people with substance use disorders in Drug Medi-Cal (DMC) and Drug Medi-Cal Organized Delivery System (DMC-ODS) programs in participating counties. See Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-026 (May 6, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-026-Drug-Medi-Cal-Drug-Medi-Cal-Organized-Delivery-System-SMHS-Peer-Support-Services.pdf> [hereinafter Behavioral Health Information Notice No. 22-026].

- <sup>55</sup> Behavioral Health Information Notice No. 22-026, *supra* note 54, at 2.
- <sup>65</sup> *Id.*
- <sup>57</sup> *Id.* at 3.
- <sup>58</sup> Cal. Dep't Health Care Servs., *Peer Support Specialists- FAQs* (Aug. 16, 2021), [https://www.dhcs.ca.gov/Documents/CSD\\_BL/Peer-Support-Services/FAQ-Peer-Support-Specialists.pdf](https://www.dhcs.ca.gov/Documents/CSD_BL/Peer-Support-Services/FAQ-Peer-Support-Specialists.pdf).
- <sup>59</sup> *Id.*
- <sup>60</sup> Specializations may include: (1) Parent, Caregiver, Family Member, (2) Working with Persons who are unhoused, (3) Working with Persons who are Involved in the Criminal Justice System, and (4) Working with Person who are in Crisis. Cal. Dep't Health Care Servs., *Peer Support Specialists: Areas of Specialization* (June 14, 2022), [https://www.dhcs.ca.gov/Documents/CSD\\_BL/Peer-Support-Services/Peers-Areas-of-Specialization-webinar-06-14-22.pptx](https://www.dhcs.ca.gov/Documents/CSD_BL/Peer-Support-Services/Peers-Areas-of-Specialization-webinar-06-14-22.pptx).
- <sup>61</sup> *Id.*
- <sup>62</sup> 42 U.S.C. §§ 1396a(k)(1), 1396u-7(b)(5) (benefits for expansion population must include essential health benefits and behavioral health services are an essential health benefit per 42 U.S.C. § 18022(b)(1)(E)); *see also* Michelle Lilienfeld, Nat'l Health Law Prog., *Alternative Benefit Plans for the Medicaid Expansion Population* (2014), (last visited Aug. 2, 2022).
- <sup>63</sup> CMS, Approval Letter for Cal. State Plan Amendment # 13-035 (March 28, 2014), <https://www.medicaid.gov/State-resource-center/Medicaid-State-Plan-Amendments/Downloads/CA/CA-13-035.pdf>; *see also* Lilienfeld, *supra* note 62, at 2-3 (discussing benefit alignment).
- <sup>64</sup> All Plan Letter 17-018, *supra* note 11, at 4; Behavioral Health Information Notice No. 21-073, *supra* note 5, at 6. *See also* Cal. Dep't Health Care Servs., *Medi-Cal Provider Manual: Non-Specialty Mental Health Services: Psychiatric and Psychological Services* (Dec. 2021), <https://filessysdev.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/nonspecmental.pdf>; These services are also covered in fee-for-service for beneficiaries who are not enrolled in a Medi-Cal plan. *See* CAL. WELF. & INST. CODE § 14132.03.
- <sup>65</sup> All Plan Letter 22-006, *supra* note 7, at 4.
- <sup>66</sup> *Id.* at 4.
- <sup>67</sup> CAL. WELF. & INST. CODE § 14059.5(a).
- <sup>68</sup> Cal. Dep't Health Care Servs., All Plan Letter 22-006, *supra* note 7, at 4.
- <sup>69</sup> 42 U.S.C. § 1396d(r)(5); CAL. WELF. & INST. CODE §§ 14059.5(a), 14184.402(a). *See also* Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 21-073, *supra* note 5, at 3.
- <sup>70</sup> Behavioral Health Information Notice No. 21-073, *supra* note 5, at 7.

- <sup>71</sup> Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-003 (Feb. 3, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-003-Medi-Cal-Substance-Use-Disorder-Treatment-Services-for-Beneficiaries-under-age-21.pdf>.
- <sup>72</sup> All Plan Letter 22-006, *supra* note 7, at 4.
- <sup>73</sup> CAL. WELF. & INST. CODE § 14132.755; see also Cal. Dep't Health Care Servs., *Medi-Cal Strategy to Support Health and Opportunity for Children and Families* (March 2022), <https://www.dhcs.ca.gov/Documents/DHCS-Medi-Cal%27s-Strategy-to-Support-Health-and-Opportunity-for-Children-and-Families.pdf>.
- <sup>74</sup> CAL. WELF. & INST. CODE § 14132.755(b).
- <sup>75</sup> *Id.*
- <sup>76</sup> See CAL. CODE REGS. tit. 9, § 1810.370; Cal. Dep't Health Care Servs., All Plan Letter 18-015 (Sept. 19, 2018), <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2018/APL18-015.pdf>.
- <sup>77</sup> CAL. CODE REGS. tit. 9, §§ 1850.505–.535.
- <sup>78</sup> CAL. WELF. & INST. CODE § 14184.402(g); CAL. CODE REGS. tit. 9, § 1850.525. See also Behavioral Health Information Notice No. 21-034, *supra* note 49; All Plan Letter 21-013, *supra* note 51.
- <sup>79</sup> Kim Lewis & Rachel Velcoff Hults, Nat'l Health Law Prog. and Nat'l Center for Youth Law, *Medi-Cal Family Therapy Benefit* (2022), [https://healthlaw.org/wp-content/uploads/2022/04/Medi-Cal-Family-Therapy-Benefit\\_for-publication.pdf](https://healthlaw.org/wp-content/uploads/2022/04/Medi-Cal-Family-Therapy-Benefit_for-publication.pdf) (last visited Aug. 2, 2022).
- <sup>80</sup> Cal. Dep't Health Care Servs., All Plan Letter 22-003 (March 17, 2022), <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2022/APL-22-003.pdf>; see also Cal. Dep't Health Care Servs., Behavioral Health Information Notice No. 22-009 (March 16, 2022), <https://www.dhcs.ca.gov/Documents/BHIN-22-009-Eating-Disorders.pdf>.
- <sup>81</sup> See Chapter II of this Guide for more information about Medi-Cal Rx.
- <sup>82</sup> See Cal. Dep't Health Care Servs., *Medi-Cal Rx Provider Manual* § 2.1 (2022), [https://medi-calrx.dhcs.ca.gov/cms/medicalrx/static-assets/documents/provider/forms-and-information/manuals/Medi-Cal\\_Rx\\_Provider\\_Manual.pdf](https://medi-calrx.dhcs.ca.gov/cms/medicalrx/static-assets/documents/provider/forms-and-information/manuals/Medi-Cal_Rx_Provider_Manual.pdf).
- <sup>83</sup> See Cal. Dep't Health Care Servs., All Plan Letter 22-012 at 7, 13 (July 11, 2022), <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2022/APL22-012.pdf>.
- <sup>84</sup> See *id.* at 22; see generally Cal. Dep't Health Care Servs., *Mental Health and Substance Use Disorder Services Information Notice No. 17-040* (Aug. 24, 2017), [https://www.dhcs.ca.gov/services/MH/Documents/Information%20Notices/IN\\_17-040\\_MHSUDS\\_Chart\\_Documentation\\_Information\\_Notice.pdf](https://www.dhcs.ca.gov/services/MH/Documents/Information%20Notices/IN_17-040_MHSUDS_Chart_Documentation_Information_Notice.pdf).