



**Department of
Mental Health**

John R. Kasich, Governor
Tracy J. Plouck, Director

September 30, 2011

Memorandum To: Ohio Mental Health Community Stakeholders
From: Tracy J. Plouck, Director
Subject: Implementation of the Medicaid Benefit Package, Service Limits & Prior Authorization

This notice contains information related to Medicaid cost containment strategies, including service limitations, soft authorization through the use of a claim modifier, and prior authorization processes and training. Implementation of these changes to the mental health Medicaid benefit package is scheduled to take place **November 1, 2011**.

Defined Benefit Package

The planned changes remain as they were originally intended to take effect July 1. The information below describes the service utilization as it was presented to the field in my April 26, 2011, memo, which is accessible on the ODMH website.

**It is important to note that the benefit will not be pro-rated in any way to account for the later than expected start date. For example, an individual will have access to 104 hours of CPST between November 1, 2011, and June 30, 2012, without prior authorization.

Service	Limits Eff. 11/1/11	Percentile Using Proposed Limits	Adult FY Averages	Kids FY Averages
CPST	104 hrs.	96-97 th	Ind. – 18.2 hrs* Gp. – 26.9 hrs*	Ind. – 16.7 hrs.** Gp. – 21.8 hrs.**
Pharm. Mgt.	24 hrs.	Just under 99 th	3.2 hrs.	2.8 hrs.
Counseling	52 hrs.	97 th	Ind. – 6.6 hrs. Gp. – 16.5 hrs	Ind. - 10.1 hrs. Gp. - 25.5 hrs
Diagnostic Assessment by an MD	2 hrs.	95 th	.95 hrs.	1.2 hrs.
Diagnostic Assessment	4 hrs.	90-95 th	1.7 hrs.	2.2 hrs.
Partial Hospitalization	60 days	65 th	27 days	77 days
*Daily average for adult CPST service is .92 hrs. individual and 1.7 hrs. group **Daily average for kids CPST service is .99 hrs. individual and 1.6 hrs. group				

For all services for kids, with the exception of partial hospitalization and CPST, a “soft” authorization process will be used to override maximum service limits in instances where the service is medically necessary in order to comply with federal EPSDT provisions. Each provider of services may deliver services over the maximum service limit by utilizing a modifier on claims in excess of the maximum when medical necessity requirements are met. All services are subject to retrospective review on medical necessity as they are today.

For partial hospitalization and CPST for both kids and adults, a more traditional approach of prior authorization will be employed to allow services over the cap to individuals with additional need. ODMH has contracted with an outside vendor, Health Care Excel, Inc., to perform prior authorization services. More information on the prior authorization process, including training opportunities, appears later in this memorandum.

House Bill 153 Exemptions from Prior Authorization

House Bill 153, the FY 12-13 state budget, states that for FY 12 and 13, “a Medicaid recipient who is under twenty-one years of age automatically satisfies all requirements for any prior authorization process for community mental health services provided under a component of the Medicaid program administered by the Department of Mental Health” if any of the follow apply:

1. The recipient is in the temporary custody or permanent custody of a public children services agency or private child placing agency or is in a planned permanent living arrangement.
2. The recipient has been placed in protective supervision by a juvenile court.
3. The recipient has been committed to the Department of Youth Services.
4. The recipient is an alleged or adjudicated delinquent or unruly child receiving services under the Felony Delinquent Care and Custody Program operated under section 5139.43 of the Revised Code.

The exemptions from prior authorization for this population will be accomplished through the use of a modifier to by-pass the service limits for CPST and partial hospitalization in MACSIS. This modifier will be different from the one that is used for soft authorization of other services for children. It will be incumbent upon providers to assure that proper documentation is maintained in the client record indicating that the child meets the circumstances listed above and therefore supporting the use of the modifier to by-pass the service limits. Again, all services are subject to retrospective review on medical necessity as they are today.

Implementation Timeline

Week of October 2 – Supplemental “Frequently Asked Questions” document to be posted on the ODMH website and emailed to stakeholders.

No later than October 14 – A notice to all Medicaid consumers of the benefit changes will go out via USPS. A draft of the consumer notice is attached to this memo.

October 24-November 4 – Regional trainings will be conducted around the state on the prior authorization process, including criteria for medical necessity. Training materials will also be available on the ODMH website.

November 1 – Implementation will begin. Emergency rules from ODJFS will be filed via a Governor’s Executive Order. Emergency rules are effective for 90 days. Subsequently, a regular rule filing will occur through the Joint Committee on Agency Rule Review, allowing for a public input process.

Training Opportunities

Staff members from the Ohio Department of Mental Health and from Health Care Excel, Inc., will conduct regional training sessions on the new Medicaid cost containment measures and the prior authorization process that will be effective November 1, 2011. Training materials will be posted on the ODMH website - <http://mentalhealth.ohio.gov/what-we-do/protect-and-monitor/medicaid/index.shtml>. You can also access materials from the first round of trainings that were held in June 2011 from this same site. Please see the attached letter containing more information about these trainings and the registration instructions.

Consumer Notice Correction

Please note that the following section of the consumer notice, “You can ask your Local Legal Aid program for free help with your case. Call the Ohio Poverty Law Center at 1-800-589-5888 if you need a local phone number” **should be replaced with the following**, “You can ask your local Legal Aid program for free help with your case. Call Ohio Legal Services 1-866-LAW-OHIO (866-529-6446) if you need the local phone number.”

Thank you for your cooperation as we implement this next phase of Medicaid cost containment. Containment of the growth of Medicaid is critical to the preservation of a funding for non-Medicaid services. If you have any questions related to these changes, please feel free to contact ODMH’s Office of Health Integration at Medicaid@mh.ohio.gov.