



Fact Sheet:



Drug Medi-Cal Monitoring

Background

Drug Medi-Cal (DMC) services provide medically necessary alcohol and other drug treatment to California's Medi-Cal eligible population statewide. The DMC treatment modalities include: Outpatient Drug Free (ODF), Narcotic Treatment Programs (NTP), and Naltrexone Treatment. In addition, Day Care Habilitative (DCH) Treatment and Perinatal Residential (RES) Treatment are available to Medi-Cal beneficiaries under the age of 21 and to pregnant and postpartum women with a substance abuse diagnosis.

The Interagency Agreement between the Department of Alcohol and Drug Programs (ADP) and the Department of Health Care Services requires all DMC providers to be subject to utilization review and control. The authority governing utilization controls is provided in the Federal Medicaid Law, Title 42, United States Code, Sections 1396(a)(30-33) and Federal Medicaid Regulations, Title 42, Code of Federal Regulations, Sections 456.2 through 456.6.

Effective July 1, 1997, the regulations contained in Title 22 of the California Code of Regulations require that ADP conduct post-service, post-payment (PSPP) utilization reviews for compliance with standards of care and other requirements.

Utilization review provides certain safeguards against unnecessary services in substance abuse programs providing DMC substance abuse services. ADP has promulgated regulations in Title 22 detailing the minimum requirements for DMC reimbursement and defining the roles and responsibilities of ADP, the county, and the provider.

This process is intended to provide statewide quality assurance and accountability for DMC substance abuse services.

State Role

ADP is responsible for administrative and fiscal oversight, monitoring, and auditing to safeguard California's investment in DMC substance abuse services. This is accomplished through the promulgation of the Title 22 DMC regulations and on-site visits to DMC providers by ADP staff. Formal and informal training and technical assistance is also provided.

The purpose of these site visits is to ensure that DMC providers are compliant with regulatory requirements, provide technical assistance and training to provider staff, and initiate the recovery of payments when DMC requirements have not been met.

A written report is issued at the conclusion of each on-site visit, detailing the deficiencies found. The county and/or provider is required to develop and implement a written corrective action plan to address each deficiency identified in the report.

In addition to the technical assistance and training provided as part of routine site visits, ADP conducts formal training for county and provider staff on the Title 22 DMC regulatory requirements. ADP also maintains a selection of documents on its website for use by counties and providers, including sample forms and other materials designed to assist service providers in meeting the above referenced regulatory requirements.

County Role

The county is responsible for contracting with the providers, if applicable; implementing and maintaining a system of fiscal disbursements and controls; monitoring the billings to ensure that the reimbursement is within established rates; and, processing claims for reimbursement.

Provider Role

All DMC providers must be certified to participate in the DMC treatment service system and must comply with all DMC requirements. This includes at a minimum: identifying the Diagnostic and Statistical Manual of Mental Disorders diagnostic code; establishing the medical necessity for treatment; following DMC admission criteria and procedures; developing and updating treatment plans; preparing progress notes; providing counseling; justifying

the need to continue services; and, completing a discharge summary.

Outcomes

ADP monitoring and auditing of DMC services results in:

- Provision of publicly funded treatment with effective quality controls in place.
- Identification and resolution of compliance issues by the counties and providers.
- Provision of training and technical assistance to counties and providers by ADP.