



July 10, 2023

Tyler Sadwith
Deputy Director, Behavioral Health
California Department of Health Care Services

Sent via email to: countysupport@dhcs.ca.gov

Re: Recommendations Re: Draft BHIN Concerning Behavioral Health Services Audit Procedures

Dear Deputy Director Sadwith:

The California Alliance of Child and Family Services (the California Alliance) would like to share our recommendations regarding the draft BHIN outlining new audit procedures for county Mental Health Plans (MHPs), Drug Medi-Cal Organized Delivery Systems (DMC-ODS) and Drug Medi-Cal programs (collectively referred to as county behavioral health delivery systems.) The California Alliance represents 160 nonprofit organizations serving children, youth and families through behavioral health, education, foster care, prevention, and juvenile justice programs throughout the state. Many of our members deliver essential services to children and families through a contract with one or more of these behavioral health delivery systems.

In general, our members support updates to audit procedures that focus less on compliance with minor paperwork requirements and devote more efforts to ensuring access to quality services. We therefore support, for example, the decision to stop requiring the “Chart Review” category for every audit. On the other hand, because the county behavioral health delivery systems are now in the throes of implementing Payment Reform, with its fundamental changes to county and provider reimbursement systems, now is absolutely not the time to cut back on current efforts to monitor access to care.

- **Compliance Reviews for Every Behavioral Health System Should Continue to Address High Priority Audit Categories, Including Network Adequacy and Availability of Services.**

While we understand the need to streamline audit reviews and to focus on issues of particular concern in each county, we nevertheless recommend that audits continue to evaluate, in every county, certain high priority audit categories, such as Network Adequacy (NA) and Availability of Services. As counties begin to implement Payment Reform, many providers and advocates are deeply concerned that the new provider reimbursement systems will reduce access to many critically needed services. This is particularly true in the case of programs and provider types that are likely to receive less reimbursement under Payment Reform, such as community-based programs with higher travel costs that may not be covered by the new rates, as well as services delivered by non-clinical providers, whose MHP rates in many counties are disproportionately lower than those for licensed staff. As a result of these changes, even counties that currently meet NA requirements may struggle to meet those standards in the near future. As a result, we urge DHCS to increase – rather than reduce – monitoring of member access to services in every county.

- **We Recommend that the New “Youth Services” Audit Review Category Focus in Particular on Access to Community-Based Programs.**

Our members support the addition of the new “Youth Services” audit category. As mentioned above, many of our organizations are concerned in particular about the impact of Payment Reform on access to community-based services. These programs generally support youth with the most intensive needs, such as In-Home Behavioral Services (IHBS), Therapeutic Behavioral Services (TBS), Therapeutic Foster Care (TFC) and Wraparound programs. We therefore suggest that the Youth Services audit review category specifically include, for every county, monitoring of all measures reflecting access to community-based programs that serve children and families.

- **DHCS Audits Should Address Issues Identified in County EQRO Reports.**

We recommend that DHCS audits consistently address key concerns identified in the External Quality Review Organization (EQRO) reports for county behavioral health delivery system. Currently, it is unclear whether reviewers conducting DHCS audits first review recent EQRO reports for the same delivery system and then investigate whether any problems identified in the EQRO report have been resolved. As one example, the most recent EQRO Report for San Diego County’s MHP lists, as one of the county’s key “Opportunities for Improvement” the MHP’s “abnormally high wait times to first-offered appointment, first delivered service, and urgent appointments offered.” ([San Diego MHP EQRO](#) for FY 22-23, p. 63.) The MHP’s EQRO for the prior year raises the same concern. ([San Diego MHP EQRO](#) for FY 21-22, p. 52.) Yet, while DHCS did require the MHP to create a Plan of Correction to address this issue in FY 2020-21, DHCS’s “Plan of Corrections” [webpage](#) does not list any follow up measures in FY 21-22 or FY 22-23 to ensure the MHP had resolved this critical problem.

- **DHCS Should Continue Publishing the SMHS Review Protocol and Reasons for Recoupment.**

We strongly recommend that DHCS not eliminate the SMHS Review Protocol and Reasons for Recoupment (SMHS Review Protocol.) Especially during this time of complex changes in so many MHP requirements and procedures, it is especially important to have a document that clarifies for MHPs and providers the types of factors that will not lead to a recoupment. The Review Protocol, for example, can reassure a county that a minor “mismatch” between the service claimed and the service documented in a progress note will not lead to a recoupment unless it resulted in an “overbilling,” and that clerical errors resulting in an incorrect date on a progress note similarly will not lead to a recoupment. By providing clarity on these and related audit issues, the Review Protocol enables MHPs to adapt to CalAIM documentation reforms with greater efficiency and fewer unnecessary denials of provider claims.

We appreciate the opportunity to share these recommendations. Please do not hesitate to contact us if we can provide any further information, clarify recommendations, or if our recommendations bring up further questions you may wish to discuss.



Sincerely,

A handwritten signature in black ink that reads "Adrienne Shilton". The signature is written in a cursive, flowing style.

Adrienne Shilton
Director of Public Policy and Strategy
California Alliance of Child and Family Services