STATE OF CALIFORNIA—HEALTH AND WELFARE AGENCY PETE WILSON, *Governor*

DEPARTMENT OF MENTAL HEALTH
1600 - 9TH STREET
SACRAMENTO, CA 95814
(916) 654-2309

September 26, 1995

DMH INFORMATION NOTICE NO.: 95-12

TO: LOCAL MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH PROGRAM CHIEFS
LOCAL MENTAL HEALTH ADMINISTRATORS
COUNTY ADMINISTRATIVE OFFICERS
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: ESTIMATED FUNDING REQUEST FOR THE EARLY AND PERIODIC SCREENING, DIAGNOSIS AND TREATMENT (EPSDT) PROGRAM

The EPSDT Program is a requirement of the Medicaid program to provide comprehensive health care for persons under age 21 who are eligible for the full scope of Medi-Cal benefits. Implementation of the expanded requirements for this program specified by the Omnibus Budget Reconciliation Act of 1989 (OBRA '89) and a subsequent lawsuit will increase the demand for Short-Doyle/Medi-Cal (SD/MC) services. SD/MC will continue to focus on those children and youth that need system of care services. (Additional information about the EPSDT program, its impact on mental health services and opportunities for system of care expansion are included as Enclosures 1 and 2. SD/MC outpatient penetration rates by county for Medi-Cal eligibles under age 18 years are included as Enclosure 3 as background planning information for the county.)

The Department of Health Services (DHS) has agreed in principle to provide the state/local matching funds for the SD/MC services to this population that are in excess of those that the county would have otherwise provided. This agreement needs approval from Department of Finance. To estimate the state costs for this program, please provide an estimate of the increased SD/MC costs for your county for Fiscal Year 1995-96 for EPSDT eligible population including the information specified in Enclosure 4. These estimates will be reviewed by the Department of Mental Health (DMH) staff for reasonableness of the expected increased demand for services and the implementation time line for these new services. The federal financial participation will be paid to counties through the regular claims processing system.

We are attempting to complete negotiations with DHS and the Department of Finance on the financing and service delivery design for this program. Specific information about funding and any other requirements for this program will be provided to counties as soon as it is available. We expect that these estimates will be settled to actual, allowable cost or rate under SD/MC requirements that are in excess of an established base

amount. We anticipate that all current requirements and processes for SD/MC services will continue unchanged except the matching funds for the additional services will be provided by DHS.

Please provide your county estimate (Enclosure 4) by October 13, 1995, to Robin Hope, Managed Care Implementation, at (916) 653-8831 or FAX (916) 654-1732. Please contact Nancy Mengebier at (209) 722-6618 if you have questions about the programmatic requirements of this program or Robin Hope if you have questions about the financing or Medicaid requirements.

Your continue cooperation throughout this process is appreciated. We will continue to work with you on the implementation of these important services for children and youth.

STEPHEN W. MAYBERG, Ph.D.
Director

Enclosures

cc: California Mental Health Planning Council
Chief, Technical Assistance and Training

Enclosure 1

EPSDT BRIEFING DOCUMENT

September 1, 1995

History and Requirements

The Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program is the requirement of the Medicaid program to provide comprehensive health care for persons 0 to 21 years. These services must meet the Medicaid requirements for freedom of choice, statewideness and comparability. There are also federal requirements for timeliness of service provision following the identification of need. Persons eligible for these benefits are those Medi-Cal eligible persons under age 21 who qualify for the full scope of Medi-Cal benefits. Those children eligible as undocumented aliens, those eligible exclusively under minor consent for sensitive services and those who qualify for Child Health and Disability Prevention (CHDP) under the 200 percent of poverty qualifications, do not qualify for EPSDT.

EPSDT has been a requirement of the Medicaid program since its inception. Historically California implemented the screening requirements through the CHDP program. The mental health diagnosis and treatment services were provided SD/MC, FFS/MC and Medi-Cal Managed Care Programs. Case management was provided through CHDP and SD/MC.

OBRA '89 clarified/changed the standards to require broader outreach efforts and provision of services if they are Medicaid benefits regardless of whether they are in the state plan. California recently settled the lawsuit, Smith vs. Belshe, regarding access to EPSDT services in California. EPSDT regulations were published in April 1994 and updated in April 1995. Beneficiaries, providers, and advocates were notified of the availability of these services recently.

The pertinent components of these regulations for mental health are:

1) The medical necessity standard is broadened to "correct or ameliorate" mental illnesses or conditions.

2) Medicaid services which have not been available through the Medi-Cal program, i.e., supplemental services, can now be provided through Medi-Cal with prior approval from DHS.

3) The entitlement of eligible beneficiaries to these services is reaffirmed.

The plaintiffs are monitoring implementation of this program to ensure compliance with the terms of the lawsuit.

To request supplemental services, a potential provider submits a TAR or a letter to the DHS Field Office. Supplemental services must be prior approved and be provided by a licensed practitioner of the healing arts acting within scope of practice, or a current Medi-Cal provider. Any Medicaid eligible service which is not otherwise available in the regular Medi-Cal program can qualify. This includes mental health services, substance abuse services, and any other health care treatment need.

Enclosure 2

EARLY AND PERIODIC SCREENING, DIAGNOSIS AND TREATMENT (EPSDT) AND SYSTEM OF CARE EXPANSION OPPORTUNITIES

Recent developments in the State's Medi-Cal EPSDT program may provide an excellent opportunity for county mental health departments and the Fee-for-Service providers to expand mental health services for under served Medi-Cal beneficiaries while employing the System of Care (SOC) services model. Whether your county has existing SOC targeted funds or not, the EPSDT program allows for expanded mental health services to children and youth in your county. It is expected that new program planning would be consistent with overall system of care intent. EPSDT planned services should be viewed as part of a comprehensive SOC overall approach.

Essential characteristics of a comprehensive system of care include the following:

- Early, comprehensive screening and assessment teams;
- Strategic case management centered interventions to maintain the child in the least restrictive environment;
- Interagency collaboration and partnerships;
- Clearly defined outcomes;
- Special efforts to involve parents, ethnic groups and the larger community in the System of Care;
- Interagency Placement Review Committee;
- Children's Interagency System Planning Council; and
- A multiple array of viable alternative to traditional therapeutic services to meet targeted outcomes.

The Department recognizes that there has been limited opportunity to counties to receive additional funds for the establishment of a system of care approach. This is an opportunity to develop important components as related to serving the county's Medi-Cal children and youth.

There also are opportunities to meet the needs of previously under served populations which include very young children and transition age youth/adults.

If your county department(s) are interested in discussing with DMH staff various service delivery options for expanded EPSDT services, please contact Rachel Guerrero at (916) 654-3479 or Patrick Kelliher at (916) 654-3529, Specialized Programs, Systems of Care, Department of Mental Health.

PENETRATION RATE FOR FEE-FOR-SERVICE AND SHORT-DOYLE MEDI-CAL OUTPATIENT SERVICES (UNDUPLICATED NUMBER OF CLIENTS), FISCAL YEAR 1993/94

REGION # - COUNTY	# ELIGIBLES 0 - 17	PEN. RATE (UNDUP. CLIENTS / ELIGIBLES)		
		TOTAL	FFS/MC	SD/MC
SUPERIOR				
04 - Butte	18,957	3.39%	3.03%	0.36%
06 - Colusa	1,762	4.26%	1.14%	3.12%
08 - Del Norte	2,987	9.37%	4.92%	4.45%
11 - Glenn	2,998	5.24%	4.04%	1.20%
12 - Humboldt	10,588	9.21%	8.09%	1.11%
17 - Lake	5,823	7.80%	5.53%	2.27%
18 - Lassen	2,300	11.22%	7.91%	3.30%
23 - Mendocino	7,404	7.56%	6.36%	1.20%
25 - Modoc	1,051	6.28%	4.47%	1.81%
29 - Nevada	3,238	5.81%	2.53%	3.27%
32 - Plumas	1,272	11.24%	3.07%	8.18%
45 - Shasta	14,599	6.93%	3.88%	3.06%
46 - Sierra	177	6.21%	3.95%	2.26%
47 - Siskiyou	4,344	10.15%	2.49%	7.67%
52 - Tehema	5,779	5.54%	2.61%	2.92%
53 - Trinity	1,190	5.88%	3.19%	2.69%
Other				
Subtotal, Superior	**84,469**	**6.69%**	**4.42%**	**2.27%**
CENTRAL VALLEY				
02 - Alpine	122	8.20%	4.92%	3.28%
03 - Amador	1,065	7.98%	2.63%	5.35%
05 - Calaveras	2,187	7.09%	2.93%	4.16%
09 - El Dorado	5,888	6.90%	2.36%	4.53%
10 - Fresno	116,637	1.87%	1.19%	0.68%
16 - Kings	12,653	6.96%	1.66%	5.30%
20 - Madera	12,924	3.54%	1.25%	2.30%
22 - Mariposa	1,025	4.39%	2.54%	1.85%
24 - Merced	32,671	4.21%	1.64%	2.57%
26 - Mono	417	8.63%	7.43%	1.20%
31 - Placer	8,120	4.66%	3.00%	1.65%
34 - Sacramento	114,082	2.43%	1.63%	0.80%
39 - San Joaquin	62,126	4.63%	1.15%	3.48%
50 - Stanislaus	44,382	4.45%	1.86%	2.58%
51 / 58 - Sutter / Yuba	16,173	3.94%	2.07%	1.88%
54 - Tulare	55,516	4.43%	1.21%	3.22%
55 - Tuolumne	2,961	9.66%	5.74%	3.92%
57 - Yolo	11,591	3.15%	1.33%	1.82%
Subtotal, Central Valley	**500,540**	**3.47%**	**1.51%**	**1.96%**

SOURCES: FEE- FOR-SERVICE AND SHORT/DOYLE
MEDI-CAL PAID CLAIMS, FY 1993/94; and, JAN. 1994
MEDS MONTHLY ELIGIBILITY FILE, 12/21/93

PENETRATION RATE FOR FEE-FOR-SERVICE AND SHORT-DOYLE MEDI-CAL OUTPATIENT SERVICES (UNDUPLICATED NUMBER OF CLIENTS), FISCAL YEAR 1993/94

REGION # - COUNTY	# ELIGIBLES 0 - 17	PEN. RATE (UNDUP. CLIENTS / ELIGIBLES) TOTAL	FFS/MC	SD/MC
BAY AREA				
01 - Alameda	91,774	4.82%	2.80%	2.02%
07 - Contra Costa	42,738	5.64%	2.71%	2.93%
21 - Marin	5,093	7.72%	5.16%	2.55%
27 - Monterey	28,514	1.95%	1.27%	0.68%
28 - Napa	5,132	9.65%	7.99%	1.66%
35 - San Benito	2,983	4.06%	1.84%	2.21%
38 - San Francisco	39,089	7.38%	3.65%	3.74%
41 - San Mateo	22,949	4.65%	1.81%	2.84%
43 - Santa Clara	85,710	6.17%	1.97%	4.20%
44 - Santa Cruz	12,372	8.51%	4.06%	4.45%
48 - Solano	21,077	5.20%	2.66%	2.55%
49 - Sonoma	17,686	7.42%	4.37%	3.06%
Subtotal, Bay Area	**375,117**	**5.63%**	**2.72%**	**2.91%**
SOUTHERN CALIF.				
13 - Imperial	18,068	5.03%	1.79%	3.23%
14 - Inyo	1,316	5.47%	4.79%	0.68%
15 - Kern	67,891	3.33%	1.56%	1.77%
30 - Orange	142,886	2.12%	2.01%	0.11%
33 - Riverside	106,506	7.56%	4.35%	3.21%
36 - San Bernardino	169,617	5.25%	2.82%	2.43%
37 - San Diego	177,846	6.21%	4.13%	2.08%
40 - San Luis Obispo	9,937	9.23%	4.69%	4.54%
42 - Santa Barbara	24,601	4.27%	1.90%	2.37%
56 - Ventura	36,550	5.04%	2.95%	2.09%
Other				
Subtotal, Southern CA	**755,218**	**5.04%**	**3.06%**	**1.98%**
19 - LOS ANGELES	**948,498**	**3.87%**	**2.83%**	**1.04%**
TOTAL	**2,663,842**	**4.45%**	**2.66%**	**1.79%**

SOURCES: FEE- FOR-SERVICE AND SHORT/DOYLE
MEDI-CAL PAID CLAIMS, FY 1993/94; and, JAN. 1994
MEDS MONTHLY ELIGIBILITY FILE, 12/21/93

ESTIMATE OF EPSDT EXPANDED SD/MC OUTPATIENT EXPENDITURES

Please provide an estimate of the new or expanded SD/MC outpatient services for FY 95/6 for full scope Medi-Cal beneficiaries under 21 years. Programs and services are new or expanded if they are greater than what was provided by your county in FY 94/5.

For each expansion, briefly provide the following information. An example is provided in italics.

TITLE AND PURPOSE: *Mental Health Services in the Receiving Home--Provide comprehensive assessments to all children in the receiving home. Provide case management and outpatient therapy as needed to this population while they are residents of the receiving home with follow-up services for transition.*

TARGET POPULATION TO BE SERVED: *Foster care children in the receiving home.*

NUMBER OF CHILDREN TO BE SERVED (Describe how the unmet need was determined): *No services are currently provided in the foster home. The average daily census is 15 and the number of weekly intakes is 10.*

TYPE AND AMOUNT OF SERVICE TO BE PROVIDED: *10 comprehensive mental health assessments/week; 25 hours/week of case management and mental health outpatient services, including crisis intervention.*

IMPLEMENTATION DATE AND PHASE IN SCHEDULE (if applicable): *A staff person will be hired and after hour services will be available effective 1/1/96. No phase in needed.*

EXPECTED INCREASE IN SD/MC REIMBURSEMENTS (Show state and federal funds):

1 Full Time Mental Health Counselor (1/96--6/96)	*$30,000*
0.4 Mental Health Counselor for Weekend Coverage	*12,000*
On-call funding for crisis intervention	*10,000*
TOTAL	*$52,000*