

SECTION 3: MEDICAL NECESSITY CRITERIA

3.0 Definition of Medical Necessity

Medical necessity is the principal criteria by which the Fresno County Mental Health Plan (FCMHP) decides to accept and approve payment of claims. Medical necessity for specialty mental health services must exist before and during on-going treatment in order for claims to be eligible for reimbursement.

3.1 Specialty Mental Health Services

Specialty Mental Health Services are:

- Rehabilitative services, including mental health services, medication support services, day treatment intensive, day treatment rehabilitation, crisis intervention, crisis stabilization, adult residential treatment services, crisis residential services, and psychiatric health facility services.
- Psychiatric inpatient hospital services
- Targeted case management
- Psychiatrist services
- Psychologist services
- EPSDT supplemental specialty mental health services
- Psychiatric nursing facility services

3.2 Medical Necessity for Specialty Mental Health Services

3.2.1 Included Diagnoses

The beneficiary must have one of the following DSM V diagnoses, which will be the primary focus of the intervention being provided:

- Pervasive Developmental Disorders, except Autistic Disorder
- Attention Deficit and Disruptive Behavior Disorders
- Feeding & Eating Disorders of Infancy or Early Childhood
- Elimination Disorders
- Other Disorders of Infancy, Childhood, or Adolescence
- Schizophrenia & Other Psychotic Disorders
- Mood Disorders
- Anxiety Disorders
- Somatoform Disorders
- Factitious Disorders
- Dissociative Disorders

Medical Necessity Criteria

- Paraphilias
- Gender Identity Disorders
- Eating Disorders
- Impulse-Control Disorders Not Elsewhere Classified
- Adjustment Disorders
- Personality Disorders excluding Antisocial Personality Disorder
- Medication-Induced Movement Disorders related to other included diagnosis.

A beneficiary diagnosed with an included diagnosis is considered to have serious mental illness (SMI). This qualifies the beneficiary to receive services from the FCMHP.

3.2.2 Excluded Diagnoses

- Mental Retardation
- Learning Disorders
- Motor Skills Disorder
- Communication Disorders
- Autistic Disorder (Other Pervasive Developmental Disorders are included)
- Tic Disorders
- Delirium, Dementia, and Amnesic and Other Cognitive Disorders
- Mental Disorders Due to a General Medical Condition
- Substance-Related Disorders
- Sexual Dysfunction
- Sleep Disorders
- Antisocial Personality Disorder
- Other Conditions That May Be a Focus of Clinical Attention, except Medication Induced Movement Disorders which are included

3.2.3 Impairment Criteria

The beneficiary must have one of the following as a result of the mental disorder(s) identified in the diagnostic criteria (3.2.0); Must have one, 1, 2, or 3:

1. A significant impairment in an important area of life functioning, or
2. A probability of significant deterioration in an important area of life functioning, or

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3. Children also qualify if there is a probability the child will not progress developmentally as individually appropriate. Children covered under EPSDT qualify if they have a mental disorder that can be corrected or ameliorated (current DHS EPSDT regulations also apply).

3.2.4 Intervention Related Criteria

Additionally, all three criteria below (1, 2, & 3) must be met:

1. The focus of proposed intervention is to address the condition identified in impairment criteria above,
2. It is expected that the beneficiary will benefit from the proposed intervention by significantly diminishing the impairment, or preventing significant deterioration in an important area of life functioning, and/or for children it is probable the child will progress developmentally as individually appropriate (or if covered by EPSDT can be corrected or ameliorated), and
3. The condition would not be responsive to physical health care based treatment.

EPSDT beneficiaries with an included diagnosis and a substance related disorder may receive specialty mental health services directed at the substance use component. The intervention must be consistent with, and necessary to the attainment of, the specialty mental health treatment goals.

3.3 Medical Necessity for Psychiatric Inpatient Hospital Services

For Medi-Cal reimbursement for an admission to a psychiatric inpatient hospital, the beneficiary shall meet medical necessity criteria set forth in (1) and (2) below:

- (1) One of the following diagnoses in the Diagnostic and Statistical Manual, Fifth Edition, published by the American Psychiatric Association:
 - Pervasive Developmental Disorders
 - Disruptive Behavior and Attention Deficit Disorders
 - Feeding and Eating Disorders of Infancy or Early Childhood
 - Tic Disorders
 - Elimination Disorders
 - Other Disorders of Infancy, Childhood, or Adolescence

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- Cognitive (only Dementias with Delusions, or Depressed Mood)
- Substance Induced Disorders, only with Psychotic, Mood, or Anxiety Disorder
- Schizophrenia and Other Psychotic Disorders
- Mood Disorders
- Anxiety Disorders
- Somatoform Disorders
- Dissociative Disorders
- Eating Disorders
- Intermittent Explosive Disorder
- Pyromania
- Adjustment Disorders
- Personality Disorders

(2) A beneficiary must have both (A) and (B):

- (A) Cannot be safely treated at a lower level of care; and
(B) Requires psychiatric inpatient hospital services, as the result of a mental disorder, due to the indications in either 1 or 2 below:

1. Has symptoms or behaviors due to a mental disorder that (one of the following):
 - Represent a current danger to self or others, or significant property destruction.
 - Prevent the beneficiary from providing for, or utilizing, food, clothing or shelter.
 - Present a severe risk to the beneficiary's physical health.
 - Represent a recent, significant deterioration in ability to function.
2. Require admission for one of the following:
 - Further psychiatric evaluation.
 - Medication treatment.
 - Other treatment that can reasonably be provided only if the patient is hospitalized.

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- (3) Continued stay services in a psychiatric inpatient hospital shall only be reimbursed when a beneficiary experiences one of the following:
- Continued presence of indications, which meet the medical necessity criteria.
 - Serious adverse reaction to medications, procedures or therapies requiring continued hospitalization.
 - Presence of new indications that meet medical necessity criteria.
 - Need for continued medical evaluation or treatment that can only be provided if the beneficiary remains in a psychiatric inpatient hospital.

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