

**Denial, Limitation, or
Reduction of
Outpatient Medicaid
Services**

Northeast Behavioral Health

- Sometimes it is necessary to deny, limit, suspend, terminate, or reduce services to a Medicaid consumer .
 - This process occurs under the auspices of Northeast Behavioral Health's Utilization Management Department.

What is Utilization Management?

- The process of managing care for a consumer that includes determining whether or not services :
 - Are medically necessary;
 - Can be omitted without harm to the consumer;
 - Are necessary to improve, stabilize, or prevent deterioration of functioning; and
 - Are provided in the least restrictive environment.

What is an ACTION?

In utilization management , an **action** is a written decision:

- To deny a requested service.
- To deny or limit the type or level of a requested service.
- To reduce, suspend, or terminate a previously authorized service.

What is a NOTICE OF ACTION LETTER?

• A **Notice of Action Letter** is the written notification letter to the consumer that a decision has been made to deny, limit, reduce, suspend, or terminate a service.

- NBH sends the Notice of Action Letter.
- The Notice of Action Letter must be sent within **10** calendar days of the date of the action.

As a clinician, why am I involved?

- You have a vital role in the utilization management of each of your consumers through:
 - service planning;
 - care coordination; and
 - when necessary, informing consumers of the Action Process.

More specifically...

- **Service Planning**
 - You help your consumer develop appropriate and achievable treatment goals.
- **Care Coordination**
 - You work with the intensive care coordinators when your consumer discharges from a hospital
- **Inform Clients of Action Process**
 - When it is clear that your consumer will no longer benefit from treatment, but your consumer still wants to receive services, you can help your clients understand the Action Process.

Outpatient Services Only

- As a clinician, you are only involved with Actions that deny, reduce, terminate, suspend, or limit **outpatient services**.
 - Actions involving inpatient or residential services are handled directly by Northeast Behavioral Health's Utilization Management Department.

Informing your clients of the Action Process

- You can help clients understand the process by informing them of:
 - Northeast Behavioral Health's role.
 - What constitutes the Action Process.
 - Their right to a **second opinion**.
 - Your clients have a right to request a second opinion free of charge if they disagree with an action decision.
 - Their right to **appeal** the action decision.
 - The Director of Consumer and Family Affairs can help with the second opinion and appeal processes.

By following the processes presented in this presentation:

- You will be taken out of the dual role of clinical provider and managed care.
- You will save time.
- Your efforts will ensure compliance with Medicaid regulations and contract requirements.
- You will facilitate the process for your consumer to enact their rights to a second opinion or to an appeal.

Example of when the Utilization Management Action Process should be followed:

- You determine that 1) previously authorized Medicaid-covered services should be reduced or terminated **OR** 2) you deny an initial request for services for your consumer because:
 - They are no longer medically necessary, or
 - Services in a less restrictive environment would meet the needs of the consumer, or
 - Additional information or experience with the consumer indicates that a covered diagnosis is not present.
 - There is not enough clinical evidence to warrant additional services .

What do I do?

- If you work at a Mental Health Center, discuss your client's case with your clinical supervisor.
- If you decide that services should be denied, limited, or reduced, you should discuss your recommendations with the consumer.
- If your consumer agrees with the recommendation, you should document this in the progress note and then proceed accordingly.
 - **The Action Process is not necessary if your consumer agrees with your recommendation.**

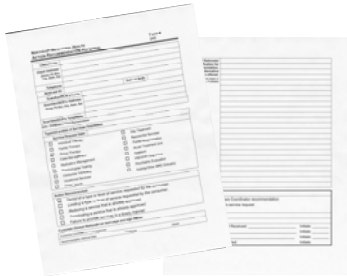
What if the consumer disagrees?

- You should advise your consumer that the recommendation to deny, limit, or reduce services will be forwarded to NBH for review.
- Your consumer should also be informed that if NBH upholds the recommendation, the consumer will receive a Notice of Action letter.
- The consumer has the right to a seek a second opinion free of charge. If this happens, help your consumer contact the NBH Utilization Department to make arrangements for a second opinion.

What do I do next?

- You, the clinician, should complete the Notice of Action Recommendation form and send it to the NBH Utilization Department within 24-hours of your conversation with your consumer regarding reducing, denying, or terminating services.
- Your consumer has the right to have **services continue** pending the outcome of the Action Process, the Appeal Process , or while receiving a second opinion.

Action Recommendation Form



This is what the paper form looks like. The electronic version will contain drop-down boxes to replace the check boxes and an expandable narrative box for clinical rationale.

In the meantime....

- Let your consumer know that NBH is responsible for making the final decision and for sending all required notifications.
- Remember, your consumer will continue to receive the same level of services during this process.

What will NBH do?

- The Director of UM will review your Action Recommendation.
- The Director of UM may request a peer-to-peer review with you to clarify your Action Recommendation.
- The Director of UM may consult with others such as the Medical Director or Director of the Office of Consumer and Family Affairs.

When NBH reaches a decision regarding your Action Recommendation:

- The final service authorization decision will be made within 10 days.
 - If your Action Recommendation is supported by NBH, your consumer will receive a Notice of Action letter.
 - You will receive a copy of the Notice of Action letter.
 - If your Action Recommendation is not supported by NBH, the Director of UM will discuss his/her recommendations with you to find a mutual agreement as to appropriate services.

Client's rights during the Action Referral process:

- If your consumer is dissatisfied with the decisions and/or referrals made, the grievance system is available to him/her.
 - Help your consumer contact the NBH Director of Consumer and Family Affairs.
- Your consumer may also seek a second opinion free of charge.
 - Help your consumer contact the NBH Director of Utilization Management.

Expedited Decisions

- You and/or NBH may determine that the standard timeframe (10 days) may jeopardize your client's life, health, or ability to attain, maintain or regain maximum function.
- If so, the decision will be made as expeditiously as the client's health requires and no later than 3 working days after the request for services.
 - Unless the consumer requests or agrees to an extension of up to 14 additional calendar days.

Expedited Decision

- If you are going to recommend an Action in a case where an expedited service authorization decision is appropriate, consult immediately with the NBH Director of Utilization Management.



Contacts

- Contact any of the individual's below if you have any questions.
 - NBH Director of Utilization Management
 - **Scott Wylie, PsyD. at 970-347-2282 or via email (scott.wylie@northeastbho.org)**
 - NBH Director of Consumer and Family Affairs
 - **Carol Staples, M.A. at 970-347-2367 or via email (carol.staples@northeastbho.org)**
