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DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

DATE: February 7, 2018

MHSUDS INFORMATION NOTICE NO.: 18-008

TO: COUNTY BEHAVIORAL HEALTH DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES

SUBJECT: COUNTY RESPONSIBILITY TO PAY FOR ACUTE PSYCHIATRIC INPATIENT HOSPITAL SERVICES PROVIDED IN AN INSTITUTION FOR MENTAL DISEASE

The purpose of this Information Notice is to clarify that under the Bronzan-McCorquodale Act (Welfare & Institutions Code § 5600 et. seq.), counties must pay for acute psychiatric inpatient hospital services for their eligible residents, including Medi-Cal beneficiaries between the ages of 21 and 65 years old. Furthermore, county mental health plans are required to pay for these services for Medi-Cal beneficiaries who are under the age of 21, or 65 years or older.

1991 Realignment – County Responsibility

In 1991, through the Bronzan-McCorquodale Act, the Legislature realigned responsibility for the provision of community mental health services to counties,¹ and provided a dedicated funding source – sales tax and vehicle license fee revenues. Counties are expected to use this funding to provide an array of community mental health services, including acute psychiatric inpatient hospital services provided in Institutions for Mental Diseases (IMD),² to target populations.³ The target populations include adults and older adults who have a serious mental disorder,⁴ whether or not a Medi-Cal beneficiary. In accordance with the Bronzan-McCorquodale Act, *the Department expects every county to pay for these services for its eligible residents,*

¹ See Welf. & Inst. Code, § 5600, subd. (a).

² Welf. & Inst. Code, § 5600.4, subd. (f), § 5600.5, subd. (e), § 5600.6, subd. (e) & § 5600.7, subd. (e); See Also Welf. & Inst. Code, Div. 5, Part 5.

³ Welf. & Inst. Code, § 5600.3.

⁴ Welf. & Inst. Code, § 5600.3, subd. (b).

*including Medi-Cal beneficiaries between the ages of 21 and 65 years old, unless a county can demonstrate, to the Department's satisfaction, that it does not have adequate funding.*⁵

Medi-Cal – Mental Health Plan Responsibility

County mental health plans are required to cover acute psychiatric inpatient hospital services provided in an IMD to Medi-Cal beneficiaries under the age of 21, or 65 years or older.⁶ Federal financial participation is available for counties, as appropriate, for services and coverage of these two populations. Due to the IMD exclusion, federal financial participation is not available for acute psychiatric inpatient hospital services provided in an IMD to Medi-Cal beneficiaries between the ages of 21 and 65 years old.⁷ The availability of federal financial participation is not a factor involved in determining the county's responsibility to provide these services.

Summary

In accordance with 1991 Realignment, the Department expects every county to pay for acute psychiatric inpatient hospital services provided in an IMD to their eligible residents, including Medi-Cal beneficiaries between the ages of 21 and 65, unless a county can demonstrate to the Department's satisfaction that it does not have adequate funding. Furthermore, under the Medi-Cal program, county mental health plans are required to cover those services when provided in an IMD to beneficiaries under the age of 21, or 65 years or older.

Questions regarding this Information Notice may be directed to the DHCS Mental Health Services Division, County Support Unit Liaison for your county. A current list of county assignments can be found at:

<http://www.dhcs.ca.gov/services/MH/Pages/CountySupportUnit.aspx>.

Sincerely,

Original signed by

Brenda Grealish, Acting Deputy Director
Mental Health & Substance Use Disorder Services

⁵ See Welf. & Inst. Code, §§ 5600.6, 5600.7 & 14714, subd. (j).

⁶ Acute inpatient psychiatric hospital services provided in an IMD to a beneficiary who was receiving such services in the period immediately preceding the date on which he or she attains age 21 may be covered by Medi-Cal until the beneficiary attains age 22. (Welf. & Inst. Code, § 14053, subds. (a), (b)(3); 42 U.S.C. § 1396d(a)(29)(B), (a)(16) & (h)(1)(c); 42 C.F.R. §§ 441.13 & 435.1009).

⁷ 42 U.S.C. § 1396d(a)(29)(B), (a)(16); 42 C.F.R. § 441.13 & 435.1009.