

**Community Mental Health Affiliation  
of Mid-Michigan**

<b>PROCEDURE #:</b> 4.4	Page 1 of 3	<b>SUBJECT:</b> Level of Care Review
<b>Related Policy:</b> 4.0		<b>SUBJECT:</b> Quality Improvement
<b>Issuing Directors:</b> Director of Quality, Customer Service and Recipient Rights, and Director of Affiliation Operations		<b>Original Effective Date:</b> 02-17-2006

**REVISED DATE**

08/11/2008
08/07/2009
02/01/2010

**Review Date(s)**

02/16/07					

**I. PURPOSE:**

To establish procedures for conducting emergent and non-emergent level of care reviews throughout CMHAMM. Level of Care reviews monitor and evaluate the under and over utilization of services provided to consumers while also ensuring that consistent standards are being applied. The reviews will match medical necessity and Affiliation Practice Guidelines to the amount, scope and duration of services provided so quality and performance improvement functions are maintained.

**II. STANDARDS:**

The Following federal and state statutes establish the standards for CMHAMM's Level of Care Review procedures:

- A. Balanced Budget Act of 1997 (Public law 105-330 (BBA))
- B. Medicaid Managed Specialty Supports and Services Concurrent 1915 (b)/(c) Waiver Program FY 03-04: Attachment P 6.7.1.1 (10/01/02)
- C. Michigan's Mental Health Code

**III. DEFINITIONS:**

- A. **Severity of Illness:** the nature and severity of the signs, symptoms, functional impairments and risk potential related to the consumer's disorder.
- B. **Intensity of Service:** the setting of care, usually corresponding to the types and frequency, duration, restrictiveness, and level of support needed to treat the consumer.
- C. **Stratified Random Selection:** a sampling frame divided into mutually exclusive subgroups or strata with units then selected randomly from each strata.

**IV. PROCEDURES:**

**A. Emergent Level of Care Reviews:**

- 1. **Emergent Primary Reviews:** The PIHP delegates to the CMHSP's responsibility for conducting emergent level of care primary reviews on Medicaid recipients.
  - a. At the beginning of each quarter (Oct., Jan., April, July) each CMHSP/CA will randomly select a list of consumer names that have been screened for inpatient

psychiatric hospitalization during the previous quarter. Two categories will be represented in the stratified random selection process: adults 18 and older who are assessed for inpatient psychiatric hospitalization and children 17 and younger who are assessed for inpatient psychiatric hospitalization. The selected list will consist of a minimum of 10% from each category; however, at least one name should be selected in circumstances where there are less than 10 total persons assessed.

- b. The CMHSP will be responsible for conducting a file review for each consumer name selected utilizing the Emergent Level of Care Review Form.
  - c. Each case will be reviewed to determine that severity of illness and the intensity of service correspond with the Affiliation Practice Guidelines.
  - d. Each CMHSP will aggregate and review all information in order to monitor and assure that appropriate and consistent decisions are made in determining level of care.
  - e. Each CMHSP will submit the aggregate data quarterly to the PIHP at the beginning of the second month within the quarter (Nov., Sept., Feb., May, Aug.)
  - f. Each CMHSP will maintain a current written description of how local level of care reviews are conducted. Included in the description will be a process to assure that the primary reviewer's recommendations have been implemented.
2. **Emergent Secondary Reviews**-The PIHP will be responsible for conducting emergent level of care secondary reviews either annually or quarterly depending on volume.
- a. The PIHP will request from each CMHSP a list of all cases reviewed for emergent level of care determination.
  - b. The PIHP will randomly select 10% of those cases reviewed by the CMHSPs and conduct a secondary review to monitor and assure that appropriate and consistent decisions are made in determining level of care.
  - c. The PIHP will aggregate its findings and share those findings with the CMHSP.
  - d. If there are disagreements in findings between the primary and secondary reviewers, the PIHP may require additional information from the CMHSP to support local decision-making regarding level of care determinations.
  - e. The PIHP may require the CMHSP to submit a corrective action response in circumstances where it is determined that trends exist that are in conflict with Affiliation wide level of care determinations.
  - f. The PIHP will be responsible for monitoring and verifying that all plans of correction have been implemented. All information will be presented to the Affiliation Utilization Management Committee, Affiliation Compliance Committee, and the PIHP Leadership Group.

## **B. Non-emergent Level of Care Reviews:**

1. **Non-Emergent Primary Reviews:** The PIHP delegates the responsibility to the CMHSPs the role of conducting quarterly non-emergent level of care primary reviews on Medicaid recipients.
  - a. At the beginning of each quarter (Oct., Jan., April., July) each CMHSP will randomly select a list of consumer names representing a minimum of one consumer per primary clinician (stratified random selection).
  - b. The CMHSP will be responsible for conducting a file review for each consumer name selected utilizing the Non-Emergent Level of Care Review Form.
  - c. Each case will be reviewed to determine that severity of illness and the intensity of service correspond with the Affiliation Practice Guidelines.
  - d. Each CMHSP will aggregate and review all information in order to monitor and assure that appropriate and consistent decisions are made in determining appropriate level of care.
  - e. ~~Each CMHSP will submit the aggregate data quarterly to the PIHP at the beginning of the second month within the quarter (Sept., Feb., May, Aug.)~~

Each CMHSP will submit the aggregate data quarterly to the PIHP no later than 6 weeks after the end of the previous quarter. (mid Nov., mid Feb, mid May, mid Aug.). If extenuating circumstances prevent a CMHSP from completing the primary reviews within required timeframes, an extension may be requested in writing to the designated PIHP representative. The request must include the reason for the extension and a proposed time frame for when the reviews would be completed. Extensions will only be granted by the designated PIHP representative in cases where the extension does not impact other CMHSP's ability to submit data (prior to the start of the following quarter) and/or the PIHP reporting of aggregate data. The designated PIHP representative will respond in writing to the request within 5 days of receipt. The designated PIHP representative may approve the request as written, approve the request with modifications, or deny the request. Any dispute to this process, or the outcome, can be taken to the Director of Affiliation Operations for mediation.

- f. Each CMHSP will maintain a current written description of how local non-emergent level of care reviews are conducted. Included in this description will be a process to assure that the primary reviewer's recommendations have been implemented.

**2. Non-Emergent Secondary Reviews:** The PIHP will be responsible for conducting non-emergent level of care secondary reviews either annually or quarterly depending upon volume.

- a. The PIHP will request, from each CMHSP, a list of all cases reviewed for non-emergent level of care determination.
- b. The PIHP will randomly select ten percent of those cases reviewed by the CMHSPs and conduct a secondary review to monitor and assure that appropriate and consistent decisions are made in determining level of care.
- c. The PIHP will aggregate its findings and share those findings with the CMHSP.
- d. If there are disagreements in findings between the primary and secondary reviews, the PIHP may require additional information from the CMHSP to support local decision-making regarding level of care determination.
- e. The PIHP may require the CMHSP to submit a corrective action response in circumstances where it is determined that trends exist that are in conflict with affiliation wide level of care determinations.
- f. The PIHP will be responsible for monitoring and verifying that all plans of correction have been implemented. All information will be presented to the Affiliation Utilization Management Committee, Affiliation Compliance Committee, and the PIHP Leadership Group.

**C. Level of Care Reviews for Coordinating Agencies:**

1. Coordinating Agencies (CA) shall establish a process to monitor that Medicaid services authorized by the CA/providers are consistent with level of care standards. The CA shall provide information to the PIHP on their monitoring process.
2. The PIHP during its annual audit shall review the process and validate a sample of the cases monitored.

**V. APPLICATION:**

To all CMHAMM CMHSPs/CAs

**VI. MONITOR AND REVIEW:**

PIHP Director of Quality, Customer Service and Recipient Rights and the the PIHP Compliance Committee shall monitor CMHSP/CA compliance with these procedures and will review this procedure annually. External review will include MDCH and CMS site visits and reporting. The Level of Care Review forms will be reviewed annually and modified to reflect any revisions to the affiliation Practice Guidelines.

**VII. RELATED POLICIES AND PROCEDURES:**

CMHAMM Policy	4.0	Quality Improvement
CMHAMM Procedure	3.7	Second Opinion