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## North Sound Behavioral Health Administrative Services Organization, LLC

Section 1500 – Clinical: Utilization Management Requirements

Authorizing Source: HCA Contract

Approved by: Executive Director

Date:

Signature:

### POLICY # 1594.00

### SUBJECT: UTILIZATION MANAGEMENT REQUIREMENTS

#### PURPOSE

To provide an overview of the Utilization Management Requirements for North Sound Behavioral Health Administrative Services Organization (BH-ASO).

#### POLICY

To define the process and requirements of North Sound-BH-ASO and its contractors.

#### DEFINITIONS

**Utilization Management (UM)** is a Quality Management (QM) process that addresses appropriateness of services (i.e., is the individual receiving what they need, when they need it and not receiving what they do not need when they do not need it).

**Prospective utilization review** – Review which occurs before care is delivered. Prospective review focuses on eligibility and medical necessity screening prior to the provision of requested services. This type of review also allows for referral to possible alternative services as appropriate. Also referred to as prior authorization review.

**Concurrent utilization review** – Review of an individual's care during an episode of care. Concurrent review focuses on the efficient allocation of appropriate, medically necessary resources during an episode of care. Concurrent review helps to determine whether delivery options for the most appropriate, medically necessary care are available, and whether individuals are improving as a result of the treatment being delivered.

**Retrospective utilization review** – Review which occurs after an episode of care has ended. Retrospective review focuses on the efficient allocation of appropriate, medically necessary resources during an episode of care. Retrospective review also evaluates appropriate discharge planning to include timely discharge from services.

**Notification Only** - Emergent, unplanned admissions to acute inpatient BH facilities (such as E & T or acute inpatient detoxification) do not require prior authorization but do require notification of the admission by means of electronic file, fax or phone call within 24 hours of that admission. Clinical information shall be provided for medical necessity determination, known as concurrent review, following this notification. This can apply to lower level services as well.

#### PROCEDURES

1. North Sound BH-ASO Behavioral Health Medical Director will provide guidance, leadership and oversight of the Utilization Management (UM) program for Contracted Services used by Individuals.

The following activities may be carried out in conjunction with the administrative staff or other clinical staff, but are the responsibility of the Behavioral Health Medical Director to oversee:

- a. Processes for evaluation and referral to services.
  - b. Review of consistent application of criteria for provision of services within available resources and related grievances.
  - c. Review of assessment and treatment services against clinical practice standards. Clinical practice standards include, but are not limited to, evidenced-based practice guidelines, culturally appropriate services, discharge planning guidelines and activities, such as, coordination of care among treating professionals.
  - d. Monitor for over- and under-utilization of services, including Crisis Services.
  - e. Ensure resource management and UM activities are not structured in such a way as to provide incentives for any individual or entity to deny, limit, or discontinue medically necessary behavioral health services inconsistent with this contract and the contractor's policy and procedure for determining eligibility for services.
2. North Sound BH-ASO will develop and implement UM protocols for all services and supports funded solely or in part through General Fund State (GFS) or Federal Block Grant (FBG) funds. The UM protocols will comply with the following provisions:
- a. Must have policies and procedures that establish a standardized methodology for determining when GFS and FBG resources are available for the provision of behavioral health services. The processes and methodology will include the following components:
    - i. An aggregate of spending across GFS and FBG fund sources under the Contract.
    - ii. For any case-specific review decisions, will maintain Level of Care Guidelines (developed to meet regional and national standards of care) for making authorization, continued stay and discharge determinations. The Level of Care Guidelines will address GFS and Substance Abuse Block Grant (SABG) priority population requirements. The contractor will use American Society of Addiction Medicine (ASAM) Criteria to make placement decisions for all SUD services.
    - iii. A plan to address under- or over-utilization patterns with providers to avoid unspent funds or gaps in service at the end of a contract period due to limits in available resources.
    - iv. Education and technical assistance to address issues related to quality of care, medical necessity, timely and accurate claims submission, or aligning service utilization with allocated funds to avoid disruption in service or unspent funds at the end of a contract year.
    - v. Corrective action with providers, as necessary, to address issues regarding compliance with state and federal regulations or ongoing issues with patterns of service utilization.
    - vi. A process to make payment denials and adjustments when patterns of utilization deviate from state, federal, or Contract requirements (e.g., single source funding).
    - vii. Have information systems that enable paperless submission, automated processing and status updates for authorization and other UM related requests.
    - viii. Will maintain information systems that collect, analyze and integrate data that can be submitted for utilization management purposes.

- b. Will monitor provider discharge planning to ensure providers meet requirements for discharge planning.
- 3. Will educate UM staff in the application of UM protocols including the criteria used in making UM decisions. UM protocols will address the cultural needs of diverse populations.
- 4. Will ensure all UM staff making service authorization decisions have been trained in working with the specific area of service which they are authorizing and managing.
- 5. Policies and procedures related to UM will comply with and require the compliance of subcontractors with delegated authority for UM requirements described in this section.
  - a. North Sound BH-ASO sub-contractors must:
    - i. Keep records necessary to adequately document services provided to all individuals for all delegated activities including quality improvement, utilization management, and Consumer Rights and Protections.
    - ii. Develop clear descriptions of any administrative functions delegated by the Contractor in the Subcontract. Administrative functions are any obligations, other than the direct provision of services to individuals, and include but are not limited to utilization/medical management.
- 6. Authorization reviews will be conducted by Mental Health Professional (MHP)/Chemical Dependency Professional (CDP) with experience working with the populations and/or settings under review.
  - a. Will have UM staff with experience and expertise in working with individuals of all ages with SUD and who are receiving medication assisted treatment (MAT).
- 7. Adverse utilization review determinations based on medical necessity including any decision to authorize a service in an amount, duration, or scope that is less than requested will be conducted by:
  - a. A physician board-certified or board-eligible in psychiatry or child and adolescent psychiatry;
  - b. A physician board-certified or board-eligible in addiction medicine, a subspecialty in addiction psychiatry; or
  - c. A licensed, doctoral level clinical psychologist.
- 8. The North Sound BH-ASO will ensure any behavioral health clinical peer reviewer who is subcontracted or works in a service center other than the contractor's Washington State service center will be subject to the same supervisory oversight and quality monitoring as staff located in the Washington State service center. This includes participation in initial orientation and at least annual training on Washington State specific benefits, protocols and initiatives.
- 9. The North Sound BH-ASO will ensure any behavioral health actions must be peer-to-peer, that is, the credential of the licensed clinician making the decision to authorize service in an amount, duration, or scope that is less than requested must be at least equal to that of the recommending clinician. In addition:
  - a. A physician board-certified or board-eligible in psychiatry must review all inpatient level of care actions (denials) for psychiatric treatment.
  - b. A physician board-certified or board-eligible in addiction medicine or a subspecialty in addiction psychiatry, must review all inpatient level of care actions (denials) for SUD treatment.

10. North Sound BH-ASO will ensure appeals are evaluated by providers who were not involved in the initial decision and who have appropriate expertise in the field of medicine that encompasses the person's condition or disease.
  - a. North Sound BH-ASO will ensure documentation of timelines for appeals will be in accordance with the appeal process provisions of the grievance system section of the Health Care Authority (HCA)–ASO Contract.
11. North Sound BH-ASO will not penalize or threaten a Provider or Facility with a reduction in future payment or termination of participating provider or participating facility status because the provider or facility disputes the contractor's determination with respect to coverage or payment for health care service.
12. North Sound BH-ASO will maintain a system for keeping Providers informed for Utilization Management decision making.

### **Medical Necessity Determination**

1. North Sound BH-ASO will collect all information necessary to make medical necessity determinations.
2. North Sound BH-ASO will determine which services are medically necessary according to the definition of medically necessary services in the ASO Contract.
3. North Sound BH-ASO's determination of medical necessity shall be final, except as specifically provided, in North Sound BH-ASO Policy 1001.00.

### **Authorization of Services**

1. North Sound BH-ASO will provide education and ongoing guidance and training to individuals and providers about its UM protocols (UMP) and Level of Care Guidelines, including admission, continued stay and discharge criteria.
2. North Sound BH-ASO will have in effect mechanisms to ensure consistent application of UMP review criteria for authorization decisions.
3. North Sound BH-ASO will consult with the requesting provider when appropriate.

### **Utilization Management Monitoring**

The North Sound BH-ASO will ensure that all notifications for authorization decisions adhere to timeframes outlined in Policy 1005 Notice Requirements. The North Sound BH-ASO will require monthly monitoring of all contracted providers through a process that includes but is not limited to:

1. **Monthly Monitoring Reports for each contracted provider that includes:**
  - a. Authorization and denial data
  - b. Over utilization and under of services
  - c. Timelines for services provided under contract
  - d. Appropriateness of services
  - e. Discharges
  - f. Referral Source
  - g. Call disposition if no assessment is offered
  - h. Timeliness of assessment appointments
  - i. Other data as identified

## 2. **Review of Monthly Monitoring Reports**

- a. Prior to the monthly Internal Quality Management Committee (IQMC) the reports will be reviewed by North Sound BH-ASO.
- b. Recommendations will be provided regarding those not meeting established benchmarks.
- c. This report will be provided to the Medical Director prior to IQMC meeting for review and comments.

## 3. **Monthly review of data at Internal Quality Management Committee**

- a. Data will be reviewed by the committee to determine:
  - i. Adherence to authorization and notification content and timelines
  - ii. Adherence to the benchmarks provided in UM review area listed above
- b. IQMC will review the reports to determine the necessary action to take when:
  - i. North Sound BH-ASO, its delegate, or its subcontractors do not meet the benchmarks established in the reports
  - ii. North Sound BH-ASO or its delegate does not meet the content requirements and timelines for authorizations and notifications

### **Sanctions**

As appropriate, IQMC recommendations concerning delegate and subcontractor performance will be forwarded to the North Sound BH-ASO Leadership Team for review and decision making as per North Sound BH-ASO Policy 1017.00 (Remedial Action).

Any identified issues regarding North Sound BH-ASO not meeting the necessary benchmarks or timelines will be remediated by the IQMC in accordance with the North Sound BH-ASO Quality Management Plan. All remediation processes and outcomes are reported to the North Sound BH-ASO Leadership Team by the IQMC Chair.

### **ATTACHMENTS**

1594.01 – Levels of care for authorization

1594.02 – Prior authorization guide