

POLICY REVISION HIGHLIGHTS

Notices of Adverse Benefit Determination for Medi-Cal Beneficiaries

February 25, 2019

Policy Revision Summary

This policy replaces the former Notices of Action for Medi-Cal Beneficiaries (Policy No: 300-1-2, Dated: 12/5/16). Revisions bring ACBH into compliance with the CMS Final Rule federal grievance and appeal system requirements per MHSUDS Information Notice No. 18-010E, as it relates to written beneficiary notification of when an adverse benefit determination is made by ACBH or Contractor for specialty mental health or substance use disorder treatment services. Major revisions to the policy include:

- Retitling the policy to “Notices of Adverse Benefit Determination for Medi-Cal Beneficiaries” since the Final Rule replaced the term “Action” with “Adverse Benefit Determination.”
- A broader and clarified definition of “Adverse Benefit Determination,” which encompasses all previous elements of “Action” under federal regulations, with the addition of language that clarifies the inclusion of determinations involving medical necessity, appropriateness and setting of covered benefits, and financial liability.
- Replacement of five (5) Notice of Action (NOA) templates with nine (9) Notice of Adverse Benefit Determination (NOABD) templates.
- Replacement of the NOA-BACK, which informed beneficiaries of their rights, with three (3) NOABD enclosures: Your Rights, Beneficiary Non-Discrimination Notice, Language Assistance Taglines.
- More expansive and individualized written NOABD requirements that clearly indicate the adverse benefit determination, to include the basis, beneficiary rights, and specific contact information of the NOABD issuer.
- Timeliness standards to provide written NOABDs to Medi-Cal beneficiaries and notification to providers.
- Inclusion of a one-page NOABD Table that will serve as a reference guide for the nine (9) NOABD templates.

Impact on ACBH, Contractors and Consumers

Impact on ACBH: ACBH will be required to issue the appropriate NOABD template and in a timely and complete manner for adverse benefit determinations rendered to Medi-Cal beneficiaries. ACBH will need to adequately inform and train ACBH and Contractor providers regarding NOABDs and the associated responsibilities.

Impact on ACBH Contractors: Contractors will be required to issue the appropriate NOABD template and in a timely and complete manner for adverse benefit determinations rendered to Medi-Cal beneficiaries. In addition, Contractors are required to submit copies of issued NOABDs to the ACBH Quality Assurance (QA) Office.

Impact on ACBH Consumers: Consumers will receive timely written notification when an adverse benefit determination is made. Notification will contain more individualized information of the determination, to include the basis. Consumers will be provided with information regarding their rights, which includes their right to appeal and if they require language assistance.

