Implementing Washington's New Supportive Housing and Supported Employment Medicaid Benefits:

Documenting Medical Necessity

August 18, 2016

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870 Market St. | Suite 1228 | San Francisco, CA 94102

Washington Low Income Housing Alliance
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1411 Fourth Avenue |Suite 850 | Seattle, WA 98101

Presenter Introductions

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HomeBase

HomeBase is a nonprofit public interest law firm that provides legal and technical assistance. We work on the local, state, and national level to support communities in implementing responses to homelessness.

Learning Objectives

- Understand Medicaid's medical necessity requirements and how they relate to the Supportive Housing and Supported Employment Benefits in Washington's 1115 Waiver
- Understand how to properly document medical necessity
- Gain practical understanding of how medical necessity is documented in service notes

Basics of Medicaid Reimbursements

Who: Services must be provided by a registered Medicaid provider to a Medicaid enrollee

What: Services must be covered by State's Medicaid plan

Why: Services provided must be medically necessary

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Washington's Pending Medicaid Benefit: Targeted Foundational Community Supports

Washington has submitted an application to the Centers for Medicare & Medicaid Services (CMS) for a five-year demonstration project. The application includes:

- Supported Employment Benefit to assist people who are eligible for Medicaid and have physical, behavioral, or long-term service needs that make it difficult for them to secure and maintain employment
- Supportive Housing Benefit to pay for services that will help Medicaid beneficiaries get and keep housing.

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Supported Employment Medicaid Benefit

- Individualized job coaching and training
- Employer relations
- Assistance with job placement
- Support to establish or maintain home-based self-employment
- Combination of:
  - Vocational/job-related discovery or assessment
  - Person-centered employment planning
  - Job placement, development, and/or coaching
  - Negotiation with prospective employers
  - Job Analysis and Job Carving
  - Training and systemic instructions
- Training & planning
- Transportation
- Asset development and career advancement services
- Other workplace support services, including those not specifically related to job skill training, that enable the participant to be successful in integrating into the job setting.

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Supportive Housing Medicaid Benefit

- Housing transition services that provide direct support to help individuals obtain housing, including:
  - Housing assessment and development of a plan to address barriers
  - Assistance with applications, community resources, and outreach to landlords
- Housing tenancy sustaining services that help individuals maintain their housing, including: education, training, coaching, resolving disputes, and advocacy
- Activities that help providers identify and securing housing resources

NOT COVERED: Rental assistance, room and board, housing development.

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Basics of Medicaid Reimbursements

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What is medical necessity?

- Medicaid will not pay for services just because a person needs them. You must provide a **medical rationale** for each type of supported employment or supportive housing service you deliver.

- Demonstrating the “medical necessity” of services is an administrative requirement attached to the development and documentation of an individual’s treatment plan.

- Medicaid is designed to fund medical services.

What is medical necessity?

Treatment based on functional deficits

- Sometimes formal diagnoses are less relevant than a common-sense assessment of what the client can and cannot do.
  - Living with roommates / managing conflict
  - Paying rent on time / managing household chores
- Treatment can be considered medically necessary based on its ability to correct a functional deficit, i.e., to help the client accomplish things that other people can do but that the client cannot do.
  - The patient is unable to independently and successfully perform some of the activities of daily living (eating, bathing, dressing, etc.) because of the patient's current symptoms.
  - The patient has difficulty with employment, school, or social activities because of the patient's current symptoms.
- There should be a reasonable expectation that providing the treatment will improve the patient's symptoms and level of functioning.

What is medical necessity?

Staying cost-conscious

- Insurers who claim that a treatment is not "medically necessary" are usually concerned about cutting costs. You can protect against these kinds of denials by proactively making sure that your costs appear reasonable.
  - Is the frequency of treatment appropriate (e.g., does your client need to be seen every day, or would weekly or monthly visits also work well)?
  - Is the treatment setting appropriate (e.g., does your client need to be seen in a hospital, or would an outpatient center or mobile care clinic also work well)?
  - Is the type of provider appropriate (e.g., does your client need a licensed psychiatrist, or would a clinical social worker also work well)?
  - Is the treatment proportional to the severity of the disease (e.g., heavy antipsychotics used to treat a mild or situational anxiety disorder)?

What is medical necessity?

Noble Purposes don't qualify

- A mode of treatment that is chosen solely for the convenience of the patient, his or her family, the provider, or the supplier is not medically necessary.
  - Treatment given to help with recreation, relaxation, or life-enhancement is not considered medically necessary.
  - Treatment used primarily for research or to accumulate scientific data is not considered medically necessary.
  - Experimental or investigational services are usually not considered medically necessary.

Who decides what is medically necessary?

- By law, CMS has the power to issue nationwide rulings on what services are considered medically necessary. This is rarely done.
- Washington's Administrative Code (WAC 182-500-0070) defines a medically necessary service as one:
  - Reasonably calculated to prevent, diagnose, correct, cure, alleviate or prevent worsening of conditions in the client that:
    - endanger life, or
    - cause suffering or pain, or
    - result in an illness or infirmity, or
    - threaten to cause or aggravate a handicap, or
    - cause physical deformity or malfunction.
  - There is no other equally effective, more conservative or substantially less costly course of treatment available or suitable for the client requesting the service."
- In practice, most decisions about what treatments are medically necessary are made by Medicaid managed care providers.

Who decides what is medically necessary?

Medical necessity continues to be open for interpretation by all parties involved. Many third-party payers have created lists of criteria they use to interpret medical necessity, such as:

- Treatment is consistent with the symptoms or diagnosis of the illness, injury, or symptoms under review by the provider of care.
- Treatment is necessary and consistent with generally accepted professional medical standards (i.e., not experimental or investigational).
- Treatment is not furnished primarily for the convenience of the patient, the attending physician, or another physician or supplier.
- Treatment is furnished at the most appropriate level that can be provided safely and effectively to the patient, and is neither more or less than what the patient is requiring at that specific point in time.
- The disbursement of medical care and/or treatment must not be related to the patient's or the third party payer's monetary status or benefit.
- Documentation of all services should accurately reflect the need for and outcome of the services.

Proposed Criteria for 1115 Medicaid Benefit

For MCO beneficiaries:

- Inability to live in an independent or family setting without support
- At risk of serious harm to self or others
- Dysfunction in role performance
- Risk of deterioration

For BHO beneficiaries: Access to Care Standards

- https://www.dshs.wa.gov/sites/default/files/BHSIA/dbh/Mental%20Health/Access%20to%20Care%20Standards%20v20150701.1.pdf

For ALTSA beneficiaries: CARE criteria

- https://www.dshs.wa.gov/altsa/home-and-community-services/comprehensive-assessment-reporting-evaluation-care

Documenting Medical Necessity

- In practice, most decisions about what treatments are medically necessary are made by Medicaid managed care providers.

- Documentation of all services provided under the Supportive Housing and Supported Employment Benefit should accurately reflect the need for and outcome of the services.

Documenting Medical Necessity

Medical necessity documentation from a physician or provider should include the following:

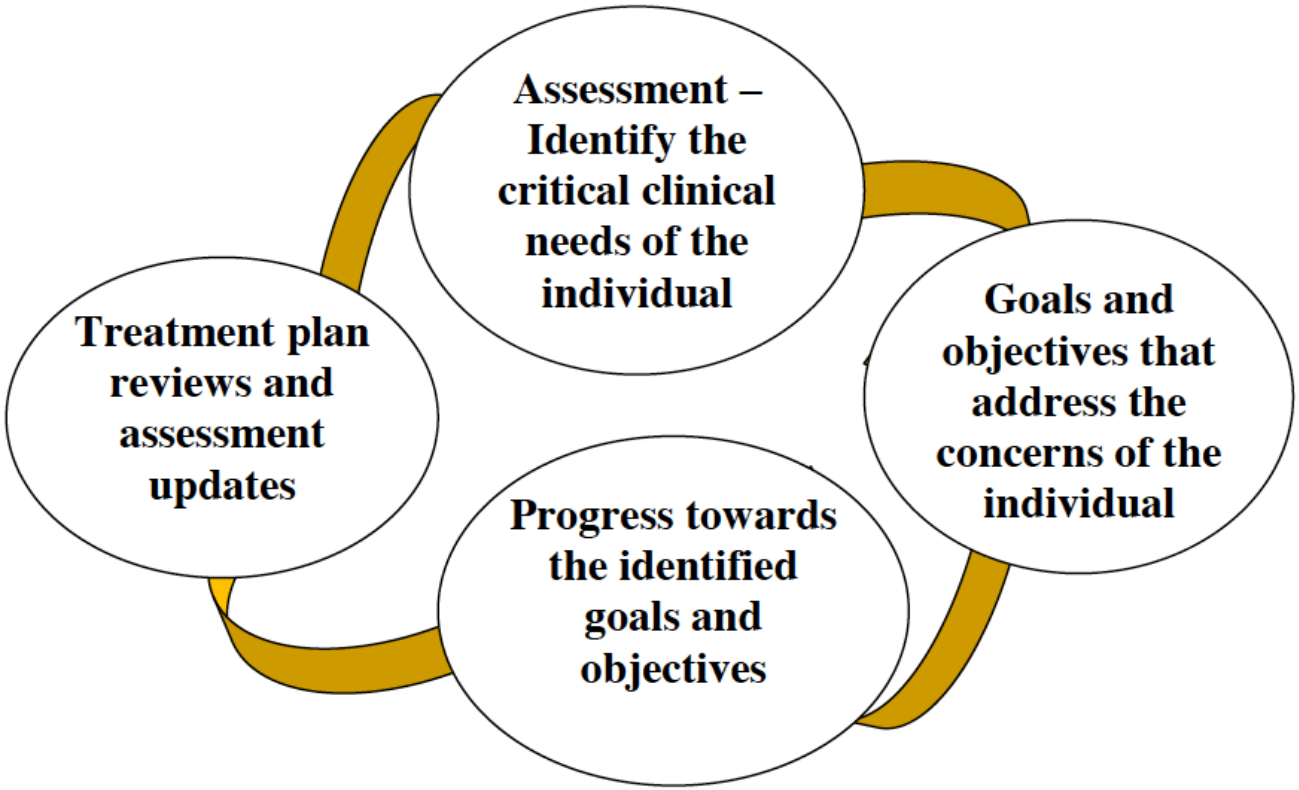
- Severity of the “signs and symptoms” or direct diagnosis exhibited by the patient. This is our diagnosis driver, and multiple diagnoses may be involved.
- Risk of an adverse or a positive outcome for the patient, and how that risk equates to the diagnosis currently being evaluated.
- Need and/or availability of diagnostic studies and/or therapeutic intervention(s) to evaluate and investigate the patient’s presenting problem or current acute or chronic medical condition. In other words, does the facility, office, or hospital have what the provider or clinician needs to render care?

Documenting Medical Necessity: Tips

- Tell a story
- Don’t assume a certain level of knowledge of someone who may later review the documentation
- Don’t rely on diagnosis documentation alone
- Review any payer medical policies – and document in their terms
- When training staff on how to document:
  - You don’t know what they know; give them a chance to tell you
  - Suggest appropriate documentation in lay terms
  - Remind them that someone who does not know their clients may ultimately decide whether what was done was necessary/appropriate

Documenting Medical Necessity:
The Golden Thread

Each piece of documentation should flow from one to another so someone reviewing the record can see the logic and understand the story you are trying to tell about the person's treatment and progress.



Source: September 2011 Colorado Training and Reference Manual for Behavioral Health Services, produced by the Colorado Behavioral Healthcare Council

Documenting Medical Necessity

- Clearest and most effective approach to document medical necessity is through the creation of a clinically relevant **individual service plan**.

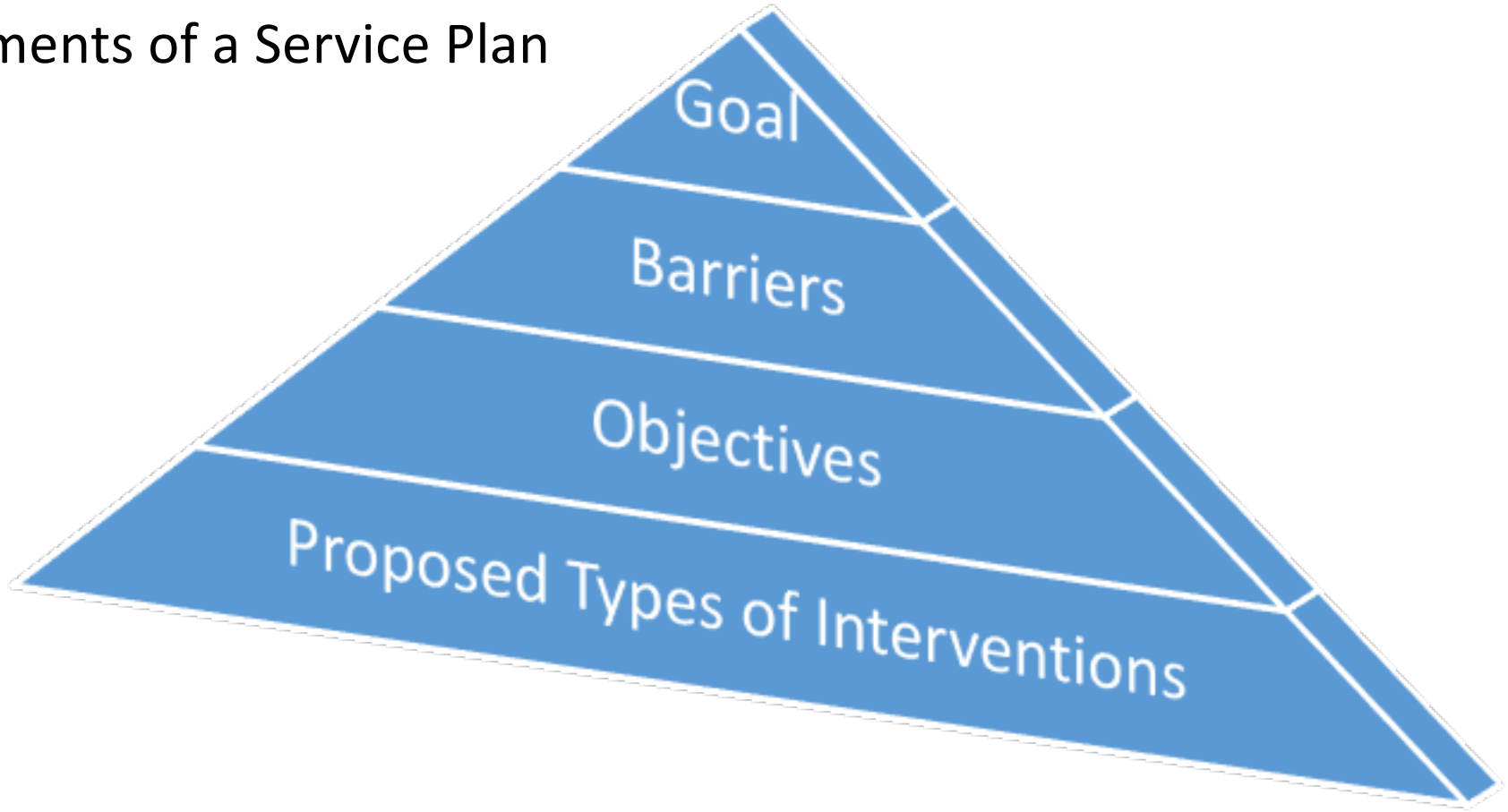
- Payers will be much slower to challenge a service or treatment decision if the decision is well-documented in an individualized service plan.

Medical Necessity Documentation: Service Plans

- Service plans should
  - Clearly demonstrate:
    - Legitimate clinical need
    - Justification for the services provided
    - Appropriate response to clinical need
  - Be based on an early, comprehensive evaluation of the client's symptoms, needs, and prospects for improvement.
- A provider should meet with the client in person and then make specific written recommendations about what services are necessary.
  - What kind of services
  - How often
  - For how long
  - Provided by whom

Medical Necessity Documentation: Service Plans

Elements of a Service Plan



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Medical Necessity Documentation: Service Plans

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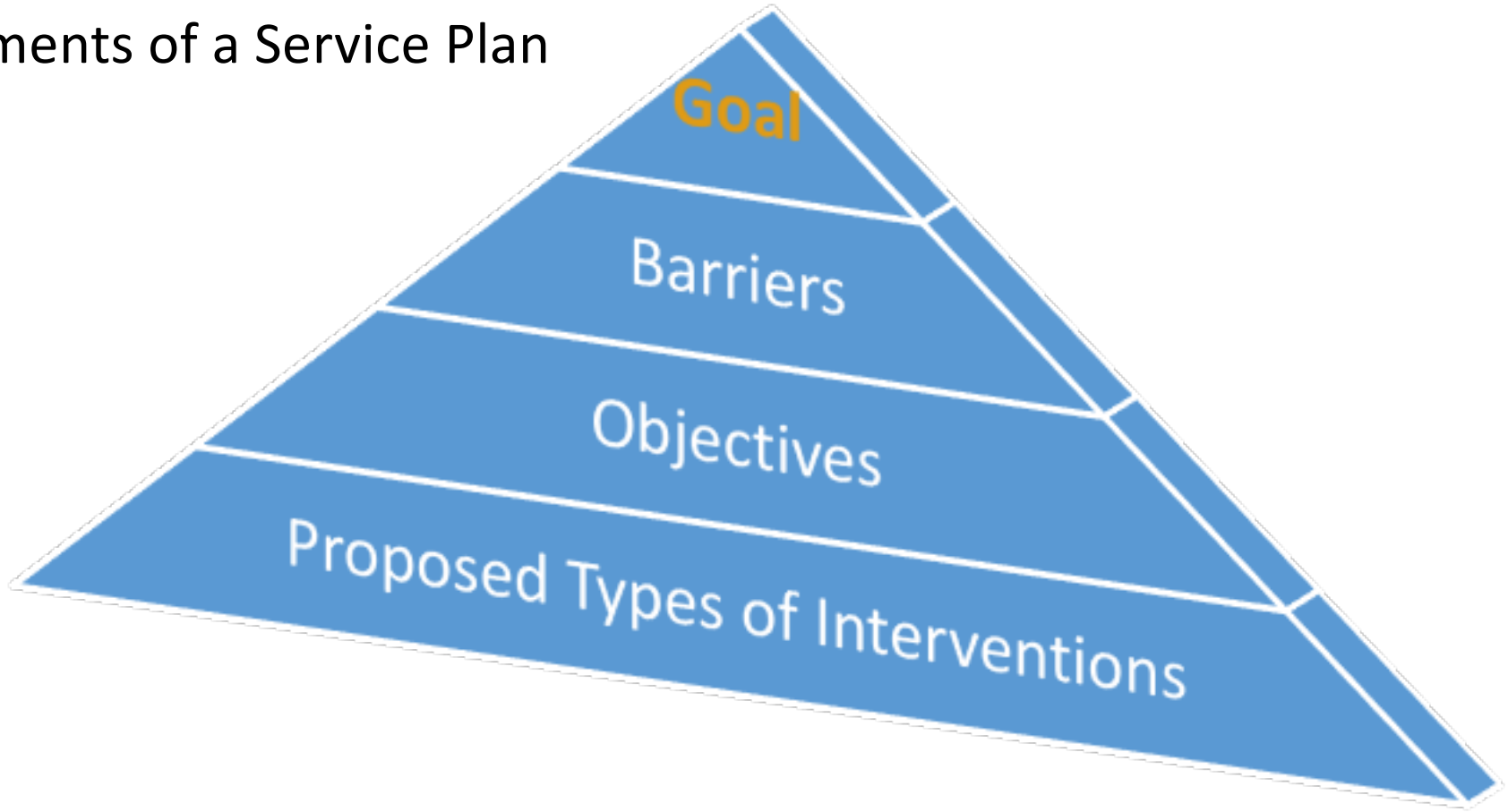

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Service Plans: Setting a Goal

- Defining the Goal
  - The client's hope
  - Long-term
  - Inspirational
  - Broad statement. Not necessarily measurable.

Service Plans: Setting a Goal

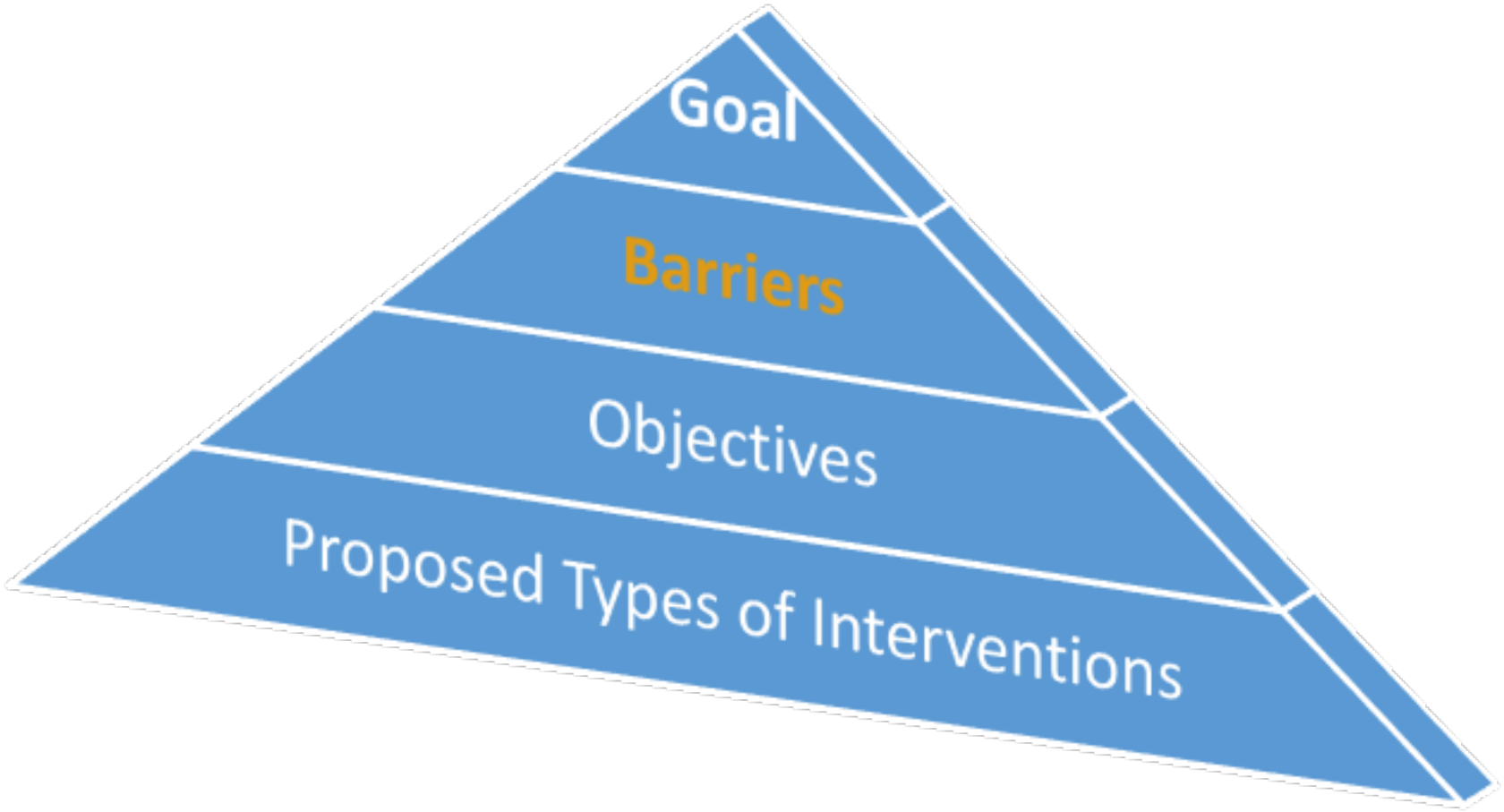
Examples of Supported Employment goals:

- To manage my symptoms of depression so I can obtain part-time employment working in the art or graphic design field.
- To find a part-time job that is repetitive in nature to accommodate problems with my concentration and problem-solving.

Examples of Supportive Housing goals:

- To manage my symptoms of schizophrenia so I can identify and secure a permanent place of my own to live.
- To improve interpersonal interactions with my neighbors so I can avoid future altercations and can keep my apartment.

Medical Necessity Documentation: Service Plans



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Service Plans: Identifying Barriers

- What is preventing the person from achieving the goal immediately and without assistance?
- Focus of service plan is addressing/reducing/removing barriers
- Examples of barriers related to mental illness:
  - Cognitive
  - Interpersonal skills
  - Lack of Independent Actions
  - Judgment

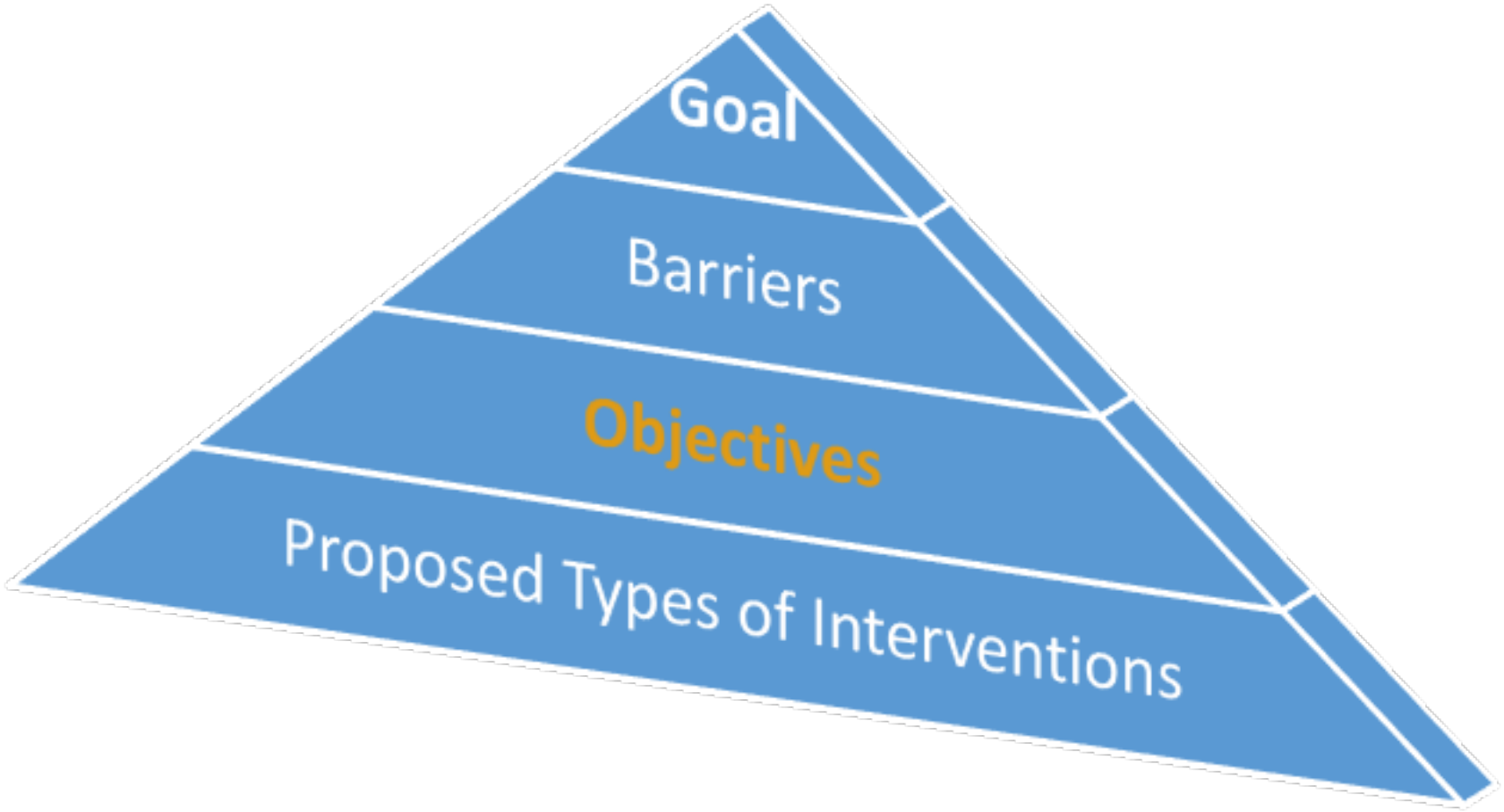
Service Plans: Identifying Barriers

In trying to fit the models of Supported Employment and Supportive Housing into the Medicaid billable structure, you need to identify the individual's functional limitations in how the service addresses the legitimate clinical need.

For example: Individual is unable to:

- Complete job/apartment applications adequately
- Apply for jobs/apartments independently
- Interview with the employer/landlord independently
- Maintain their job/housing without support

Medical Necessity Documentation: Service Plans



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Service Plans: Defining Objectives

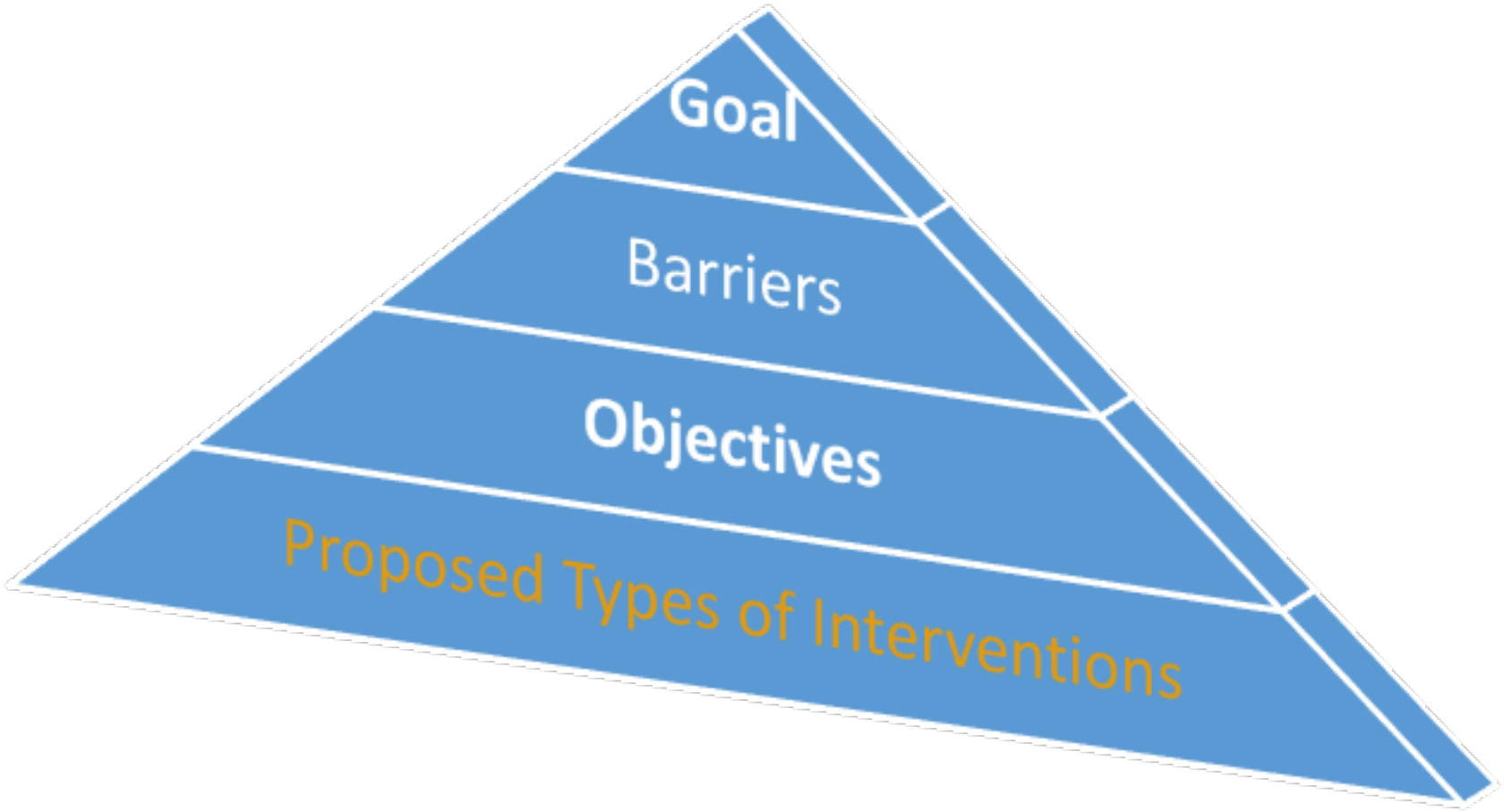
Objectives are the WHAT: What is the next step toward the greater goal?

- Significant change that the individual can experience: in behavior, function, or status
- Smaller, manageable tasks that add up to achieving the goal
- Objectives Address the Barriers to Achieving the Goal

Service Plans: Writing Objectives

Subject	• [Client Name]
Action	• Will demonstrate
What	• Ability to use 3 coping techniques to address anger
Timeframe	• Within one month
Measurement	• As measured by Therapist observation

Medical Necessity Documentation: Service Plans



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Service Plans: Determining Interventions

- Specify:
  - Provider and clinical discipline
  - Staff member's name
  - Modality
  - Frequency/Intensity/Duration
  - Purpose/Intent/Impact

Interventions are the HOW: How do we get to the next step/objective?

EXAMPLE SCENARIO

Jethro comes to the mental health clinic for medications that help him with his depression and anxiety. In the past, he has been overwhelmed by sadness and would drink to make himself numb. His drinking made it impossible to function at home or work. Feeling better having treated his depression and anxiety, Jethro wants to return to the workforce. He occasionally experiences relapses, but finds that he rebounds more quickly now.

Goal: To work full time.
Barrier: Jethro experiences occasional relapses, which prevent him from being able to keep a job.
Barrier: Jethro has difficulty managing his anxiety, which can result in stress levels that prevent him from resolving conflicts with co-workers in a healthy way.
Objective 1: Jethro will be sober for 30 consecutive days as measured by self-report.
Objective 2: Jethro will master two stress reduction skills within the next 60 days as measured by his self report of successfully resolving conflicts/problems without self-defeating behavior.

Source: "Documenting Medical Necessity in Your Service Notes" presentation by Pat Tucker from Advocates for Human Potential, Inc. at WLIHA's May 2016 Pre-Conference Medicaid Training

EXAMPLE SCENARIO

Objective 1: Jethro will be sober for 90 consecutive days as measured by self-report.

Interventions:

- LCSW will provide dual recovery groups once per week for one year to Jethro so he can learn the tools to stay clean
- CM will discuss how meetings went with Jethro once per week, reinforce active participation in the groups to assist him in achieving sobriety for 3 months
- Jethro will attend AA meetings 3X per week for 3 months in order to develop a sober support system

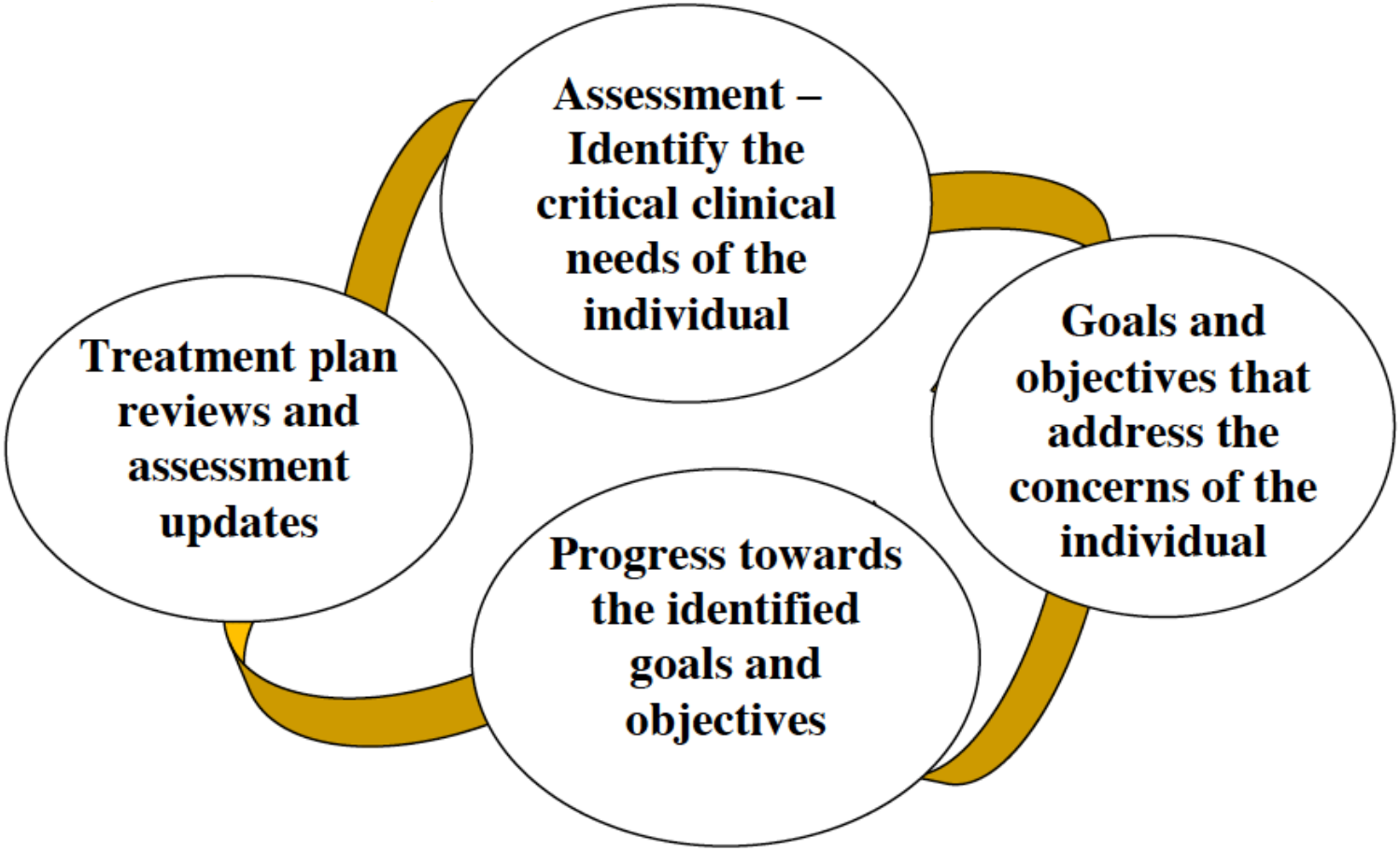
Objective 2: Jethro will master two stress reduction skills within the next 60 days as measured by his self report of successfully resolving conflicts/problems without self-defeating behavior.

Interventions:

- Peer Specialist will meet with Jethro every other week for 2 months to practice stress reduction skills
- CM will provide stress management skills training for one hour per week for 60 days

Source: "Documenting Medical Necessity in Your Service Notes" presentation by Pat Tucker from Advocates for Human Potential, Inc. at WLIHA's May 2016 Pre-Conference Medicaid Training

The Golden Thread



Source: September 2011 Colorado Training and Reference Manual for Behavioral Health Services, produced by the Colorado Behavioral Healthcare Council

Documenting Medical Necessity: Progress Notes

Progress notes should clearly state activities and interventions that are directly related to goals and interventions described in the treatment plan.

Goal: (Corresponds with Goals from the Treatment Plan)

Intervention: Interventions are directed by the goals and objectives. Interventions include activities or support provided toward the goals and objectives.

Location: (In the Community at a location convenient for the individual or Office)

Response to Intervention: This is where you are descriptive about the results of the intervention, other barriers or description of how symptoms/functional limitations effected the intervention or progress toward the goals & objectives.

Signature with Title:

Source: DSHS Division of Behavioral Health and Recovery – March 2012 'Guide to Support an Individual's Employment Goals"

Example Progress Notes: Supported Employment

Goal: To improve individual's ability to manage symptoms (e.g., disorganized thoughts and inability to concentrate and focus) to obtain a part-time job.

Intervention: Assisted individual with identifying job search options and creating a job search plan as she has difficulty organizing her thoughts. Used written material and frequent redirection to compensate and remediate her difficulties with organizing her thoughts.

Location: Community

Response: Individual had difficulty concentrating and focusing attention on task of creating job search options. She was able to identify important features of a workplace environment that would be appropriate for her needs, which include a quiet environment that does not include much interaction with people (due to her difficulty with paranoid thoughts and concentration). Individual was able to identify several types of work that match her interests as well as take into account her symptoms. She identified jobs of choice: light clerical work or working in a library shelving books.

[Signature with Title]

Source: DSHS Division of Behavioral Health and Recovery – March 2012 'Guide to Support an Individual's Employment Goals"

Example Progress Notes: Supportive Housing

Goal: To improve individual's ability to manage anger and preserve relationships to maintain tenancy.

Intervention: Assisted individual to develop and maintain key relationships with neighbors, as she has difficulty building relationships and resolving conflict, which often results in physical altercations and/or complaints to her landlord.

Location: Community

Response: Individual had difficulty resolving minor conflicts with neighbors, which often resulted in escalating arguments and complaints to her landlord. Individual was able to build and maintain a casual friendship with one neighbor, and identify a potential conflict with another before it occurred so she could identify non-physical ways to respond.

[Signature with Title]

Learn More

Learn from those with experience

- Federally Qualified Health Centers and Rural Health Clinics
- MCOs and BHOs
- Other primary and behavioral health providers (List of Washington Medicaid certified providers: https://fortress.wa.gov/hca/p1findaprovider/)

Keep an eye out for resources and training opportunities

- Centers for Medicare and Medicaid Services (CMS)
  - www.cms.gov
  - www.Medicaid.gov
- Substance Abuse and Mental Health Services Administration (SAMHSA)
  - www.samhsa.gov
- Health Resources and Services Administration (HRSA)
  - www.hrsa.gov
- Washington State Health Care Authority (HCA) http://www.hca.wa.gov/about-hca/healthier-washington/medicaid-transformation
- Washington Low Income Housing Alliance (WLIHA) http://wliha.org/medicaid-benefit-resources

Questions?

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Contact Us

If you have any further questions, please contact us at:

- **Gillian Morshedi:** (415) 788-7961 x301 or gillian@homebaseccc.org
- **Jason Green-Lowe:** (415) 788-7961 x326 or jason@homebaseccc.org

Thank You!

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