Thurston-Mason Behavioral Health Administrative Services Organization POLICY AND PROCEDURE MANUAL			
TITLE:	Utilization Management Requirements		
SECTION:	Utilization Management – Coverage and Authorization	**POLICY:**	1594
EFFECTIVE:	1.1.2020		
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APPROVED:		**DATE:**	*1.1.2025*

I. PURPOSE

A. To provide an overview of the Utilization Management requirements for Thurston-Mason Behavioral Health Administrative Services Organization (Thurston-Mason BH-ASO).

II. POLICY

A. To define the process and requirements of Thurston-Mason-BH-ASO and its Network Providers.

III. DEFINITIONS

Action means the denial or limited authorization of a Contracted Service based on medical necessity.

Adverse Authorization Determination means the denial or limited authorization of a requested Contracted Service for reasons of medical necessity (Action) or any other reason such as lack of Available Resources.

Utilization Management (UM) is a 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).

IV. PROCEDURES

A. Thurston-Mason 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:

1. Processes for evaluation and referral to services.
2. Review of consistent application of criteria for provision of services within Available Resources and related Grievances.
3. 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.
4. Monitor for over- and under-utilization of services, including crisis services.
5. 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.

B. Thurston-Mason 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:

1. 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:

    a) An aggregate of spending across GFS and FBG fund sources under the HCA BH-ASO contract.

    b) 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 address GFS and SABG priority population requirements and the six dimensions of the American Society of Addiction Medicine (ASAM) Criteria to make medical necessity placement decisions for all substance use disorder (SUD) services.

        i) See Thurston-Mason BH-ASO Policy 1006 Level of Care Guidelines.

    c) A plan to address under- or over-utilization patterns with Network Providers to avoid unspent funds or gaps in service at the end of a contract period due to limits in Available Resources. This is completed in the Thurston-Mason BH-ASO Internal Quality Management Committee and quarterly with the Network Providers through the Quality/Utilization Management Committee meeting and as needed with individual Network Providers.

    d) 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. This is completed in the Thurston-Mason BH-ASO Internal Quality Management Committee (discussion of topics for Network Providers) and education/technical assistance is provided quarterly to the Network Providers in the Quality/Utilization Management Committee meeting and as needed with individual Network Providers.

    e) Corrective action with Network Providers, as necessary, to address issues regarding compliance with state and federal Regulations or ongoing issues with patterns of service utilization.

    f) A process to make payment denials and adjustments when patterns of utilization deviate from state, federal, or contract requirements (e.g., single source funding).

2. Thurston-Mason BH-ASO will monitor Network Provider discharge planning to ensure requirements are met for discharge planning defined in the HCA BH-ASO contract.

3. Thurston-Mason BH-ASO will educate UM staff in the application of UM protocols including the criteria used in making UM decisions. UM protocols shall take into account the greater and particular needs of diverse populations, as reflected in Health Disparities, risk factors (such as Adverse Childhood Experiences (ACEs) for Individuals of any age), Historical Trauma, and the need for Culturally Appropriate Care.

4. Thurston-Mason BH-ASO 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 and the needs and clinical risk factors of diverse populations.

5. Thurston-Mason BH-ASO's policies and procedures related to UM shall comply with, and require the compliance of Network Providers with delegated authority for UM requirements as described in the HCA BH-ASO contract.

6. Authorization reviews will be conducted by state licensed Behavioral Health Professionals with experience working with the populations and/or settings under review:
    a) Thurston-Mason BH-ASO 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. Actions 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. Thurston-Mason BH-ASO will ensure any behavioral health clinical peer reviewer who is subcontracted or works in a service center other than Thurston-Mason BH-ASO'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. Thurston-Mason 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 determine all inpatient level of care Actions for psychiatric treatment.
    b) A physician board-certified or board-eligible in Addiction Medicine or a subspecialty in Addiction Psychiatry, must determine all inpatient level of care Actions (denials) for SUD treatment.
10. Thurston-Mason BH-ASO will not structure compensation to individuals or entities that conduct utilization management activities so as to provide incentives for the individual or entity to deny, limit, or discontinue Medically Necessary Services to an Individual.
11. Thurston-Mason BH-ASO will maintain a system for keeping Network Providers informed for Utilization Management decision making.
12. Thurston-Mason BH-ASO shall maintain written job descriptions of all UM staff. Thurston-Mason BH-ASO staff that review denials of care based on medical necessity shall have job descriptions that include a description of required education, training or professional experience in medical or clinical practice, and HIPAA training compliance.
13. Thurston-Mason BH-ASO shall maintain evidence of a current, non-restricted license and HIPAA training compliance for staff that review denials of care based on medical necessity.
14. Thurston-Mason BH-ASO shall have a sufficient number of behavioral health clinical reviewers available to conduct denial and appeal reviews or to provide clinical consultation on complex case review and other treatment needs.
15. Thurston-Mason BH-ASO shall 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 services.

V. MEDICAL NECESSITY DETERMINATION

A. Thurston-Mason BH-ASO's determination of medical necessity shall be final, except as specifically provided, in Thurston-Mason BH-ASO Policy 1001 Grievance and Appeal System, as it relates to the Grievance Section of the HCA BH-ASO Contract.

1. Medical necessity means a requested service which is reasonably calculated to prevent, diagnose, correct, cure, alleviate or prevent the worsening of conditions in the recipient that; endanger life, cause pain and suffering, result in illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction and there is no other equally effective, more conservative, or substantially less costly course of treatment available or suitable for the person requesting service. “Course of treatment” may include mere observation or, where appropriate no treatment at all.

a) Network Provider shall collect all necessary information and make the determination of medical necessity per Thurston-Mason BH-ASO Policy 1006 Level of Care Guidelines. Network Providers will determine which contracted services are medically necessary according to this definition as described in the HCA BH-ASO contract.

i) Medical Necessity for mental health services is based on the presence of a covered DSM 5-TR mental health diagnosis following the initiation of the intake evaluation.

ii) Medical Necessity for substance use disorder (SUD) treatment services is based on the presence of a DSM 5-TR substance related diagnosis and application of the ASAM criteria following an assessment.

VI. AUTHORIZATION OF SERVICES

A. Thurston-Mason BH-ASO will provide education and ongoing guidance and training to individuals and Network Providers about its UM protocols in the Thurston-Mason BH-ASO Policy 1006 Level of Care Guidelines, including ASAM Criteria for SUD services for admission, continued stay, and discharge criteria.

B. For psychiatric inpatient authorizations, see Thurston-Mason BH-ASO Policy 1571 Psychiatric Inpatient Authorizations.

C. Authorizations

1. Network Providers are delegated the function of conducting eligibility verification processes for Individuals being served to determine their financial eligibility status for services, eligibility criteria to enroll the Individual into services if contracted funds allow, and to determine any third-party payments per Thurston-Mason BH-ASO Policy 3045 Eligibility Verification. The Network Provider collects specific details about the Individual seeking services and makes a determination based on all information gathered and follows the instructions in 1594.01 Thurston-Mason BH-ASO Provider Services Reference Guide for authorizations to determine if services are pre-authorized or need Thurston-Mason BH-ASO prior authorization.

2. **Pre-authorized services:** Once the Individual has been identified as Medicaid ineligible by the Network Provider and the Network Provider has dedicated funds in their non-crisis behavioral health contract to provide specific services, they must verify the additional eligibility criteria listed in the following documents in order to enroll the Individual into services, a delegated function:

a) Thurston-Mason BH-ASO Policy 1006 Level of Care Guidelines and 1006.01 Level of Care Authorizations (verify the Individual meets criteria for the medically necessary and/or non-medically necessary services and the authorization criteria for those services);

b) Verify the Individual meets all criteria for the services requested as outlined in the Thurston-Mason BH-ASO Behavioral Health Provider Guide Statement of Work(s) (SOW) and/or Attachments which provide specific SOW(s) as listed in the non-crisis behavioral health contract.

i) If the Individual meets criteria for non-Medicaid funds, meets (1) (2a) and (2b), Network Providers may enroll the Individual directly into services within the program scope and available resources (up to the contracted funding amount).

ii) The Network Provider continues to verify the Individual's eligibility for services at each session and as new information is presented throughout the authorization period and adheres to Utilization Management requirements as outlined in this policy.

(1) If the Individual does not meet medically necessary criteria or an Action needs to be taken at any time on a request for service, the Network Provider will contact Thurston-Mason BH-ASO to follow requirements to submit a Notice of Action or Notice of Adverse Authorization Determination per Thurston-Mason BH-ASO Policy 1005 Notice Requirements.

3. **Thurston-Mason BH-ASO prior authorization required: , voluntary inpatient mental health:** Prior to the initiation of voluntary inpatient mental health, once the Individual has been identified as Medicaid ineligible as delegated to the Network Provider, Thurston-Mason BH-ASO must pre-authorize services. To make an authorization request (and for continued stay requests), the Network Provider must complete the TMBH-ASO Authorization/Notification Form, found at: https://www.tmbhaso.org/information-for-providers or click HERE for the form. Once the form is submitted, Thurston-Mason BH-ASO will determine funding within Available Resources and verify criteria eligibility using Thurston-Mason BH-ASO Policy 1006 Level of Care Guidelines and 1006.01 Level of Care Authorizations to ensure the Individual meets criteria for the medically necessary services. **If inpatient mental health services are approved**, Thurston-Mason BH-ASO sends a confirmation email to the referring provider with an authorization decision and any other information needed for the authorization request. **If inpatient mental health services are denied**, Thurston-Mason BH-ASO follows procedures in Policy 1005 Notice Requirements to issue notices.

4. **Thurston-Mason BH-ASO prior authorization required, outpatient behavioral health services and SUD residential:** Prior to the initiation of any type of non-crisis behavioral health service, once the Individual has been identified as Medicaid ineligible as delegated to the Network Provider, and the Network Provider is requesting the use of non-Medicaid funds that are **not** dedicated in the non-crisis behavioral health contract, Thurston-Mason BH-ASO must pre-authorize the services. The Network Provider calls Thurston-Mason BH-ASO customer service line (360-763-5828) to complete a verification screen per the TM BH-ASO Non-Medicaid Request Form for medically necessary services and the TM BH-ASO Non-Medically Necessary Request Form for non-medically necessary services. A Thurston-Mason BH-ASO representative will determine funding within Available Resources and verify criteria eligibility using Thurston-Mason BH-ASO Policy 1006 Level of Care Guidelines and 1006.01 Level of Care Authorizations to ensure the Individual meets criteria for the medically necessary and/or non-medically necessary services and the authorization criteria for those services. If applicable, Thurston-Mason BH-ASO will direct the Network Provider to submit via secure email the appropriate Request Form to oprequest@tmbho.org

These forms include but are not limited to: financial information, clinical information; priority population status; specific to the appropriate Request Form: medical necessity criteria (Covered DSM-5-TR diagnosis) and criteria for non-medically necessary services; and, if applicable, the need for SUD interim services and waiting list criteria.

a) If there are no funds available or the Individual is determined to not be eligible for non-crisis services through Thurston-Mason BH-ASO, the Request Form is not completed by the Network Provider and Thurston-Mason BH-ASO provides case management services to the Network Provider for other appropriate services.

b) If **outpatient behavioral health services or SUD residential services are approved**, Thurston-Mason BH-ASO returns the approved Request Form to the Network Provider and sends a notice to the Individual, following notification guidelines in Thurston-Mason BH-ASO Policy 1005 Notice Requirements. If the services are approved for SUD residential, the Network Provider must refer to the "Placement" section of the approved Request Form and select the in-network, admitting residential facility **or** outline the reasons why an in-network provider was not used, and a Single Case Agreement (SCA) must be issued by Thurston-Mason BH-ASO. This approved Request Form must be returned via encrypted email to Thurston-Mason BH-ASO for review and final placement authorization.

c) The Network Provider will continue to verify the Individual's eligibility for services at each session or as new information is presented throughout the authorization period and send information to Thurston-Mason BH-ASO utilizing the Request Form when requesting extensions of the authorization period and/or specific criteria, see also Thurston-Mason BH-ASO Policies 1005 Notice Requirements (for authorization periods) 1006 Level of Care Guidelines (for medical necessity and non-medically necessary criteria), and 1590 Non-Medicaid Services, General Fund State and Federal Block Grant (for additional criteria specific to funding source).

i) If the Individual does not meet medically necessary criteria or an Action needs to be taken at any time on a request for service, Thurston-Mason BH-ASO will follow requirements to submit a Notice of Action or Notice of Adverse Authorization Determination per Thurston-Mason BH-ASO Policy 1005 Notice Requirements.

4. Thurston-Mason BH-ASO will utilize the Request Forms for maintaining Waiting Lists and providing Interim Services for Individuals of SABG priority populations, who are eligible but for whom SUD treatment services are not available due to limitations in Network Provider capacity or available resources. Based on data gathered, Thurston-Mason BH-ASO will submit the SABG Capacity Management Form quarterly, or otherwise required, to HCA and notify, in writing, within two (2) business days when the network is at 90% capacity. For **SUD residential approved authorizations**, paperwork must be completed by the Network Provider and submitted to Thurston-Mason BH-ASO with the invoice for payment and service activity log. This includes, depending on the ASAM level of care for either SUD residential or Withdrawal Management (WM):

a) TMBH-ASO Residential Client Admission Form

b) TMBH-ASO Residential Authorization Utilization Review Form

c) TMBH-ASO Residential Client Discharge Form

d) TMBH-ASO WM Client Admission Form

e) TMBH-ASO WM Client Discharge Form

C. Thurston-Mason BH-ASO will have in effect mechanisms to ensure consistent application of UM protocol review criteria for authorization decisions. Thurston-Mason BH-ASO shall have

mechanisms for at least annual assessment of interrater reliability of all clinical professionals and non-clinical staff involved in UM determinations.

1. **Pre-authorized services:** Thurston-Mason BH-ASO Network Providers determine medical necessity and can enroll Individuals into services when there are dedicated funds in the Network Provider's behavioral health contract. Preauthorization requires adherence to Thurston-Mason BH-ASO's Policy 1006 Level of Care Guidelines, which includes use of a Thurston-Mason BH-ASO approved comprehensive intake, use of a validated level of care instrument (i.e., Level of Care Utilization System, Child and Adolescent Level of Care Utilization System, Child and Adolescent Needs and Strengths, or American Society of Addiction Medicine), and evidence that medical necessity criteria or non-medically necessary criteria is met. Pre-authorized services and ongoing re-authorizations are subject to Thurston-Mason BH-ASO quality review and to interrater reliability checks, see also Thurston-Mason BH-ASO Behavioral Health Provider Guide, Section 2.6 Provider Oversight and Monitoring with all requirements in contract.
    a) Thurston-Mason BH-ASO conducts/monitors interrater reliability using the following processes for all Network Providers receiving dedicated funds that are preauthorized to provide specified services:
        i) Network Providers must agree via signed contract to adhere to Thurston-Mason BH-ASO Policy 1006 Level of Care Guidelines.
        ii) Network Providers must submit the following annually for Thurston-Mason BH-ASO approval: Internal intake assessment tools; LOC tools; and, written protocols/processes for determining medical necessity, eligibility, level of care (LOC), and utilization management.
    b) Network Providers must conduct an internal reliability evaluation on a minimum of 20 (or 20%, whichever is less) of their Individuals' records. This process includes a minimum of two qualified (MHP and/or SUDP) clinical staff independently reviewing the completed intake, and re-authorization (if applicable), and LOC instruments of randomly selected Individual records to make an eligibility determination and assign an LOC. The data must be entered into a scoring template and evaluated for reliability. Results of the study must be submitted to Thurston-Mason BH-ASO annually. If there is greater than a 10% discrepancy in scoring, the Network Provider must submit an improvement and training plan to increase reliability. Or,
    c) Network Providers may request that Thurston-Mason BH-ASO participate in the interrater reliability assessment. In this case, Thurston-Mason BH-ASO will randomly select the Individual records for review and require the Network Provider to submit these records via our SFTP site. A qualified Thurston-Mason BH-ASO MHP and/or SUDP will blindly review the intake, and re-authorization (if applicable) and LOC tool and make an eligibility and LOC determination. Thurston-Mason BH-ASO will create a scoring grid and enter both the Network Provider and BH-ASO data. This data will be evaluated for reliability. If there is greater than a 10% discrepancy in scoring, the Network Provider must submit an improvement and training plan to increase accuracy of determining eligibility and LOC.

2. **Thurston-Mason BH-ASO prior authorization required**: Thurston-Mason BH-ASO conducts interrater reliability on services authorized by Thurston-Mason BH-ASO when services are requested, and funds are not dedicated in the Network Provider's contract. The Network Provider must submit records when requested by Thurston-Mason BH-ASO to utilize the interrater reliability process.

A. Interrater reliability for when Thurston-Mason BH-ASO Prior authorization is required:

i) Thurston-Mason BH-ASO authorizes Individuals for services when requested (non-Medicaid funds are not dedicated in the contract) after the Network Provider determines medical necessity and eligibility criteria are met adhering to the procedures outlined in Thurston-Mason BH-ASO Policy 3045 Eligibility Verification and 1590 Non-Medicaid Services, General Fund State and Federal Block Grant. Authorized services and re-authorizations are subject to Thurston-Mason BH-ASO's internal quality review and to interrater reliability checks. Thurston-Mason BH-ASO conducts/monitors interrater reliability using the following internal processes:

(1) Thurston-Mason BH-ASO must conduct an internal reliability evaluation on a minimum of 20 (or 20%, whichever is less) of the Individuals' records.

(2) Thurston-Mason BH-ASO's Information Services (IS) Department will randomly select Individual records and Thurston-Mason BH-ASO will contact the Network Provider to submit the records via our SFTP site.

(3) The process includes a minimum of two qualified (MHP and/or SUDP) clinical staff independently reviewing the completed intake, and re-authorization (if applicable), and LOC instruments of the selected Individual records to make an eligibility determination and assign an LOC. The data must be entered into a scoring template and evaluated for reliability.

(4) If there is greater than a 10% discrepancy in scoring, the Network Provider must submit an improvement and training plan to increase reliability. If there is greater than a 10% discrepancy in scoring, the Thurston-Mason BH-ASO staff will confer and come to consensus about the appropriate determinations/levels of care. They will also determine the root cause in the discrepancies and what training/protocols are needed to improve reliability either within the ASO or at the provider level.

D. Thurston-Mason BH-ASO will consult with the requesting Network Provider when appropriate, prior to issuing an authorization determination.

VII. UTILIZATION MANAGEMENT MONITORING

A. Thurston-Mason BH-ASO will ensure that all notifications for authorization decisions adhere to timeframes outlined in Thurston-Mason BH-ASO Policy 1005 Notice Requirements. Thurston-Mason BH-ASO will require monthly monitoring of all Network Providers through a process that includes but is not limited to:

1. Monthly Monitoring Reports for each Network Provider that includes:

a) Authorization and denial data;

b) Request for service (RFS);

c) Over- and under-utilization of services;

d) Timelines for services provided under contract;

e) Appropriateness of services;

f) Discharges;

g) Other data as identified;

h) Volume of RFS;

i) Referral source;

j) Call disposition if no assessment is offered;

k) Timeliness of assessment appointments including:

l) First offered assessment appointment including reasons why an appointment was not offered within required timelines, if applicable:

i) First accepted assessment appointment;

ii) First offered/referral transaction;

iii) Assessment appointment information.

B. Review of Reports by Quality Manager

1. Prior to the Internal Quality Management Committee, the reports will be reviewed by QM staff;
2. Recommendations will be provided regarding those not meeting established benchmark;
3. This report will be provided to Medical Director prior to Internal Quality Management Committee meeting for review and comments.

C. Review of data at Internal Quality Management Committee:

1. Data will be reviewed by the committee to determine:
   a) Adherence to authorization and notification timelines;
   b) Adherence to the benchmarks provided in UM review area listed above.
2. The Internal Quality Management Committee will review the reports to determine the necessary action to take when:
   a) Thurston-Mason BH-ASO or its Network Providers do not meet the benchmarks established in the reports.
   b) Thurston-Mason BH-ASO does not meet the timelines for authorizations and notifications.

VIII. SANCTIONS

A. As appropriate, the Internal Quality Management Committee recommendations concerning Network Provider performance will be forwarded to the Thurston-Mason BH-ASO Executive Leadership Team for review and decision making, following procedures as outlined in Thurston-Mason BH-ASO Policy 203 Remedial Action.

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

ATTACHMENTS

1594.01 Thurston-Mason BH-ASO Provider Services Reference Guide

TMBH-ASO Residential Client Admission Form

TMBH-ASO Residential Authorization Utilization Review Form

TMBH-ASO Residential Client Discharge Form

TMBH-ASO WM Client Admission Form

TMBH-ASO WM Client Discharge Form