



7.1.26 SERVICE VERIFICATION REQUIREMENTS FOR MEDI-CAL REIMBURSED SERVICES

Issue Date: 02/28/2017

Revision History: 12/29/2025

References: Title 42, Code of Federal Regulations (CFR), Section 455.1(a)(2)
Title 42 CFR 438.608(a)(5)

Sonoma County's Mental Health Plan (MHP) Contract with the California Department of Health Care Services (DHCS), Exhibit A, Attachment 13, Section 5. Program Integrity Requirements

Sonoma County's Drug Medi-Cal Organized Delivery System (DMC-ODS) Contract with DHCS, Exhibit A, Attachment I, Section II (H)(5), Program Integrity Requirements

Policy Owner: Behavioral Health Division - Quality Assessment & Performance Improvement (QAPI), Auditing & Monitoring Manager

Director Signature: **Signature on File**

I. Policy Statement

The purpose of this policy and procedure is to provide information and guidance regarding the requirement to verify services reimbursed by Medi-Cal were actually provided to members.

II. Scope

This policy applies to all Department of Health Services – Behavioral Health Division (DHS-BHD) programs providing Medi-Cal funded Specialty Mental Health Services (SMHS) and/or Drug Medi-Cal Organized Delivery System (DMC-ODS) services, including entities, individuals, and programs operating under a contract or subcontract with DHS-BHD (organizational and network providers).

III. Definitions

- A. Drug Medi-Cal Organized Delivery System (DMC-ODS) Plan: The State-County contract partnership between the California Department of HealthCare Services (DHCS) and Sonoma County, that provides substance use treatment services to Medi-Cal members through the utilization of federal/state funds for covered services rendered by certified Drug Medi-Cal providers.
- B. Mental Health Plan (MHP): The managed Mental Health Care Plan for Medi-Cal eligible residents of Sonoma County, defined by a State-County contract partnership between the California DHCS and Sonoma County.
- C. Pronoun Usage: Throughout this policy, the singular "they/their" is used as a gender-neutral pronoun to promote clarity, readability, and inclusivity.
- D. Specialty Mental Health Services (SMHS): Services include, but are not limited to: Assessment, Plan Development, Rehabilitation Services, Therapy Services, Collateral, Medication Support Services, Targeted Case Management, Crisis Intervention, Intensive Care Coordination (ICC), Intensive Home-Based Services (IHBS), and Therapeutic Behavioral Services (TBS). SMHS are provided to Medi-Cal members through County Mental Health Plans (MHPs). All the MHPs are part of county mental health or behavioral health departments and the MHP can provide services through its own employees or through contract providers.

IV. Policy

In accordance with Federal regulations and California DHCS requirements, this policy establishes a method for verifying whether services reimbursed by Medi-Cal were actually provided to members. It also outlines procedures to identify, investigate, and refer suspected fraud and abuse cases related to the actual receipt of services.

V. Procedures

- A. On a quarterly basis, DHS-BHD will review the most recent full month of submitted service claims data. From the list of services provided, DHS-BHD will pull a statistically significant sample (a minimum of 5%) of members receiving Medi-Cal SMHS or DMC-ODS services. After this sampling procedure has been established for several quarters, DHS-BHD may consider using claims data samples focusing on high-risk service areas, based on trends showing fraud, abuse, or incorrect billings in specific service areas, or including claims data for only county-owned or only organizational and/or network providers.
- B. Each member pulled in the sampling will receive a Statement of Services which summarizes the face-to-face services provided to the member during the

designated period. For children and youth, the Statement of Services will be addressed to the parent, member, or legal guardian, as appropriate.

- C. In the case of returned mail, the service provider will be contacted to provide an updated address and will be directed to update the member's address in the DHS-BHD billing system.
- D. The Statement of Services will request that the member respond to DHS-BHD if the listed services were not received. The statement will also request that the member or legal representative contact DHS-BHD by telephone if they disagree with the information on the Statement of Services or have questions regarding the information.
- E. The outcome of all member contacts will be logged and tracked by DHS-BHD QAPI staff and reviewed by the MHP Administration.
- F. If a member indicates that they did not receive the Medi-Cal reimbursed services indicated, the following will occur:
 - 1. DHS-BHD QAPI and the Department of Health Services (DHS) Compliance staff will conduct an internal investigation to determine the validity of the billed services. This may include, but not be limited to, the following:
 - a. Interviewing the member and/or legal representative.
 - b. Interviewing the provider.
 - c. Ad hoc chart reviews.
 - d. Data analysis of claims.
 - e. Reviewing provider timesheets, call logs, county vehicle sign out logs, and mileage reimbursement claims.
 - 2. In the event that a claimed service was not received, the overpayment will be returned.
 - 3. If fraud or abuse is suspected, the QAPI and Compliance staff will develop and implement a corrective action.
 - 4. If the QAPI and Compliance programs' internal investigation concludes that fraud or abuse has occurred or is suspected, that the issue is egregious, or beyond the scope of DHS-BHD to pursue, DHS-BHD will report the issue to DHCS for further action.

VI. Forms

A. Member Verification of Services (BHD 106) (English & Spanish)

VII. Attachments

None