

NOABD (SUD) – July 2024

Slide Number	Slide Heading	Slide Narration Text
1	Title (Notice of Adverse Benefit Determination - NOABD)	Welcome to our webinar on the Notice of Adverse Benefit Determination or NOABD and how it connects to the Drug Medi-Cal Organized Delivery System.
2	Learning Objectives	In this webinar, you are going to learn about the purpose and the authority related to NOABDs. You are going to learn how to complete and issue an NOABD, and this will include how to choose the correct notice in different situations, the required timelines, and the attachments that are also part of the NOABD process. You will also learn how to maintain a log to help track your NOABDs, about some of the exceptions to the timelines and the requirements, and the impacts that NOABDs have upon the appeal process.
3	Notice of Adverse Benefit Determination	A Notice of Adverse Benefit Determination would be issued when an action has been taken that affects the delivery of a beneficiary’s request for services or their ongoing services. These actions may include the denial or limited authorization of a requested service, reduction, suspension or termination of a service that has been previously authorized, the partial or complete denial of payment for a service when services are failed to be delivered in a timely manner, when a grievance or appeal has not been resolved within a required time frame, or when a beneficiary's request is disputed, or financial liability has been denied. Any of these actions being taken would warrant the issuance of an NOABD.
4	What is a Notice of Adverse Benefit Determination ?	So, what exactly is a Notice of Adverse Benefit Determination? Notices are documents that inform residents or clients about an unfavorable or an adverse determination that's been made that impacts their Medi-Cal coverage, services, or benefits. The justification for these, such as the guidelines and criteria that are used or authorities that were used to support this action, will also be included in the notice, along with descriptions of the right a client has to appeal that decision. Notices apply for all Medi-Cal covered benefits and services, and they're required by both federal and state laws. The language of these notices must be very clear and non-technical, and whenever appropriate, providers should use forms that are translated into the threshold languages of the client.
5	NOABD: Choosing the Correct Notice	Just as there are varying types of situations that require an NOABD to be issued, there are different types of notices that apply to these situations. So, how does one go about choosing the correct one? There are eight different types of notices, and for your assistance, a template of each notice is available on the Optum San Diego website on the web page for DMC-ODS documents, and under the NOABD tab. The first document is the termination notice. This notice is issued when a provider terminates, reduces, or suspends a previously authorized service. For this notice, it is important to remember that clients or residents <u>must be provided this notice 10 days prior to the date of the action taken</u> . The denial of authorization notice is issued when a provider determines that a client does not qualify for a service due to not meeting medical necessity or for denials based on the type or level of service or based on appropriateness, setting, or the effectiveness of the service. A provider would issue a timely access notice if a requested service cannot be provided within an established or reasonable time.

6	NOABD: Choosing the Correct Notice (pg. 2)	<p>An authorization delay notice would be provided when there is a delay in processing a provider's request for authorization of services.</p> <p>A modification notice would be issued when a provider modifies or limits a request for services.</p> <p>If the Plan denies either completely or in part, for any reason, a provider's request for payment for a service that's already been delivered to a client, the payment denial notice would be issued.</p> <p>If a client's request to dispute financial liabilities is denied, either by the provider or the Plan, they would provide the financial liability notice.</p> <p>The final type of notice, the delivery system notice, does not currently apply to SUD services. This notice would be issued when the Plan has determined that a beneficiary does not meet the criteria to be eligible for services and then make some referral to a managed care plan or another appropriate system of care for service delivery. But again, this is not currently something that applies to SUD services.</p>
7	NOABD: Timelines	<p>With different kinds of notices come different timelines. So, when does a notice need to be issued to a client? This is broken down into three different groups. The first are notices that need to be mailed or issued to the client at the time of the decision. This would include timely access notices, financial liability notices, and payment denial notices. The second are notices that must be issued to a client within two business days of a decision being made or an action occurring. This would include denial of authorization notices, modification notices, and authorization delay notices. The third are notices that must be issued or mailed to the client at least 10 calendar days before an action is taken, and this would include the termination notice.</p>
8	NOABD Required Elements	<p>There are multiple requirements that must be considered when completing an NOABD. However, these requirements can easily be met by completing the NOABD form available on the Optum website. You can find this under the BHS Provider Resources tab, then the link "Drug Medi-Cal Organized Delivery System," and then the following NOABD tab. A link has been included on this slide for your assistance, as well. It's also important to consider that upon the issuance of an NOABD, a medical beneficiary will have 120 days in which to request a State Fair Hearing if they have a complaint about how their benefits or their services were handled, denied, or modified. It is the issuance of the NOABD that begins this timeline.</p>
9	Writing NOABD Narratives	<p>Let's look at an example of one of these notices, in this case, a termination notice, to explore how to complete the required information. When you're ready to write your NOABD, please fill out the beneficiary's or member's name, which for adult clients would be the adult's name and for minor clients would be addressed to the parent or guardian of the minor client.</p>
10	Writing NOABD Narratives (page 2)	<p>When completing the address on a notice, there are a few situations that may be applicable.</p> <p>If the client provided an address at intake, then you would enter that address onto the form.</p>

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11	Writing NOABD Narratives (page 3)	When completing the treating providers name, please enter the agency name and, if applicable, the name of the site, as well as the site’s address.
12	Writing NOABD Narratives (page 4)	For the fields of “service requested” and “service to be terminated,” please enter the type of services the client was receiving, which could be 1.0 or 2.1 for outpatient services, 3.1 or 3.5 for residential services, 3.2 for withdrawal management services, etc.
13	Writing NOABD Narratives (page 5)	Under the field marked “termination date,” you would enter the date that services are planned to be terminated. In most cases, this date must be 10 days from the day that the NOABD is created and issued to the beneficiary. Under certain circumstances in which the termination date is not ten days from the date that the NOABD is issued, exceptions to advance notice may apply. These exceptions will be covered in a later slide.
14	Writing NOABD Narratives	<p>When you are completing the justification narrative for issuing the NOABD, you must include the three following areas:</p> <p>First, a clear and concise explanation of the reasons for the decision. An example might be that a program will state you have violated our program safety rules as stated in our admission agreement, endangering your safety and/or the safety of individuals in the facility by engaging in unsafe behaviors to yourself, unsafe behaviors to others, bringing drugs into the program, maybe violence. The key, however, is making sure you use plain language when providing this explanation.</p> <p>Second, a description of the criteria or guidelines used to make the decision. This would include a citation to the specific regulations and plan authorization procedures that support the action that was made. For example, you might include a reference to the SUDPOH, to the intergovernmental agreement, 42 CFR regulations or program policy.</p> <p>The third area would be to provide the clinical reasons for the decision and making sure that these clinical reasons regard medical necessity.</p>
15	NOABD Attachments	Along with the NOABD, you must include three attachments. These three attachments are the “NOABD Your Rights Notice,” the “NOABD Language Assistance Notice,” and the “Beneficiary Non-discrimination Notice.” All three of

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		these forms are available on the Optum website and can be found under the NOABD tab.
16	Delivering a Notice	When issuing a notice, it must be communicated to the client in writing, and may be either mailed or hand delivered. Sending the notice electronically is not considered an option for delivery of the NOABD. Along with the delivery, the notice must be documented in the NOABD log, which includes a record of how the NOABD was delivered. If mailed, the notice should be sent to the client to the last known address on file. Or, as we noted in an earlier slide, if the client did not have an address prior to entering the program AND has a signed release of information to an emergency contact, the program may mail the NOABD to the emergency contact address. However, remember to take care to ensure that the actual NOABD is addressed to the client. If the NOABD is hand delivered, it's recommended that the provider verbally explain the NOABD and why it was issued using very simple and non-technical language
17	Process for Issuing NOABD	When issuing a notice, you want to ensure that the appropriate NOABD and the three attachments are issued within required timelines. Additionally, your program should have a written policy and procedure that addresses NOABDs in the following ways: how to collect, store, file, mail, and track notices. It's important to note that you should store NOABDs for 10 years after discharge for adults and, for minors, up until the age 18 plus an additional 7 years. For additional information, please look in the SUDPOH under Section E on accessing services and in Section G covering beneficiary and member rights.
18	Completing the NOABD Log	Your program's NOABD log should include the following tracking elements: The date the NOABD was issued, the beneficiary's ID number, the response from the beneficiary, the type of NOABD given, the mode of delivery, and the list of attachments that were sent with the NOABD. If no NOABD were issued for the month, it would be appropriate to write "No NOABD issued" on the log. The NOABD log is to be submitted to a QA analyst on a quarterly basis. Also, a QA specialist may review your program's NOABD log at the time of a performance review. You can find a copy of the NOABD log template on the Optum website under the NOABD tab.
19	Rescinding an NOABD	Providers do have the option to rescind an NOABD in cases where compliance improves or safe behavior increases, for example. If the program elects to rescind an NOABD, this should be logged into the NOABD log, and it should be documented somewhere within the client chart.
20	NOABD: Termination Notice	Let's look at some of the specific examples of the different types of NOABD that are available for you to issue. One of the more common notices that you may come across is the termination notice, which may be issued for a variety of different reasons. An example of "reasons of criteria" may include a program terminating a client's treatment because the client no longer meets the criteria of that specific program or level of care. For "reasons of compliance," an example would be a client leaving a program without giving notice and the program, unable to contact the client, electing to discharge that client and issuing a corresponding NOABD. This would also be true,

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		<p>say, in the case of a recovery services client. If you lose contact with the client and decide to discharge, an NOABD must be issued.</p> <p>For “reasons of safety,” an example would be a residential program deciding to terminate a client presenting a clear, imminent danger to staff or others at the program. An NOABD would be required to be issued in this case.</p>
21	NOABD: Denial of Authorization Notice	<p>The denial of authorization notice would be issued in the instance that the Plan is denying a request for service. This would include determinations based on the type or the level of service, the requirements for medical necessity, or the appropriateness, setting, or effectiveness of a covered benefit. An example of this would be a client that is denied prior authorization for residential services because they do not meet the criteria for 3.1 residential level of care. Another example would be a client contacting a withdrawal management program, but rather they meet the criteria for an outpatient level of care.</p>
22	NOABD: Timely Access Notice	<p>If there's a delay in providing a member or beneficiary with services within the timely access standards required for the level of care, a timely access notice would be issued. An example of this would be, say, at intake the client requests a bilingual counselor. However, your program’s bilingual counselor does not have any availability for the next month. Another example would be your program, which meets the client’s level of care, has a wait before you can provide an intake appointment. These would be situations where a timely access notice would be required.</p> <p>As a note, per SUDPOH D.1, all programs must ensure that they do not have standard wait lists.</p>
23	NOABD: Modification Notice	<p>In a case where Optum modifies or limits a provider’s request for a service, a modification notice would be issued. This would include reductions in frequency or the duration of services, and the approval of alternative treatments and services. An example of this would be a residential program submitting an authorization request for 90 days, but instead is only approved for 45 days.</p>
24	NOABD: Authorization Delay Notice	<p>The next three notices we are going to cover will most likely be issued by the County rather than by your program. However, it's important to recognize them, as you may come across these while working with clients involved in the DMC-ODS system.</p> <p>An authorization delay notice would be issued when the Plan extends the time frame to make an authorization decision, thus delaying the processing of the provider’s request. An example of this would be the County granting an extension to gain additional information from the member or from a provider team to explore new information in the best interest of the member.</p>
25	NOABD: Payment Denial Notice	<p>The payment denial notice would be issued when the County denies a request for reimbursement for a service that has already been provided to a member. This might happen if a program bills the County for services that are provided to a client that happens to have private health insurance, and the client does not meet income eligibility for DMC-ODS services.</p>

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26	NOABD: Financial Liability Notice	As with the payment denial notice and authorization delay notices, the financial liability notice is also typically issued by the County rather than by a provider. The County may issue this when the Plan denies a member's request to dispute financial liability. This may be issued in a scenario such as a patient seeking to dispute the provider's request for payment or the amount in the Medi-Cal share of cost, for example.
27	NOABD: Delivery System Notice	As a reminder, the delivery system notice does not apply to substance use disorder services. However, all other NOABD types do apply and should be considered accordingly.
28	Exceptions to Requirements & Timelines	<p>Now that we understand examples of the different types of NOABD available, it is important to discuss situations in which exceptions to issuing the NOABD or to the standard timelines may apply.</p> <p>If a client provides a written letter indicating that they agree to the termination of services, the program does not have to keep the client open for the 10-day advance notice period. Instead, they can choose to close the client to services immediately. However, they must still issue the NOABD. Please note that the letter must be created by the client and a standard form letter created by the program to be signed by the client would not be acceptable in this case.</p> <p>An NOABD would not be required when a client has a planned successful discharge and the client agrees with that discharge.</p> <p>If the safety of individuals in a residential facility would be endangered by a client, the notice must be made as soon as practicable before transfer or discharge. Similarly, if the health of the individuals in the residential facility is endangered., again the notice would have to be made as soon as practicable before the transfer or the discharge.</p> <p>If a situation involves the immediate transfer or discharge of a client due to urgent medical needs, then again, the notice must be made as soon as practicable before discharge or transfer.</p>
29	NOABD and Appeals	<p>If the client disagrees with their discharge or with another adverse determination, they have the right to file an appeal. The appeal process may take up to 30 days to resolve, however, in some cases an expedited appeal may be made and those cases will be completed in up to 72 hours.</p> <p>The appeal process begins with the issuance of the NOABD, which explains to the client their right to an appeal, their right to request a continuation of services, and the right to request a State Fair Hearing.</p> <p>The appeal must be requested by the client who receives the notice. Appeals may be requested in writing or orally and must be requested within 60 calendar days from the date on the NOABD.</p> <p>The advocacy agency (which would be either Jewish Family Services (JFS) or Legal Aid Society of San Diego Consumer Center (CCHEA)) will obtain written consent from the client and begin an investigation. This may involve reviewing program policies and procedures, reviewing portions of the client's file, obtaining input from an independent clinical consultant, or interviewing any staff members involved. Because of the compact timelines for appeals, programs should work with</p>

		<p>advocacy agencies to submit the required documentation as soon as possible, and no later than seven days of a request. If you would like more information about the process, please see SUDPOH section G.1 under the subheading “Advocacy Services and Record Requests” for more information.</p> <p>JFS and CCHEA will issue a recommended appeal Resolution Letter to the client, the program and to the County. The County then makes the final determination as to whether the determination of the notice is upheld or if it's overturned.</p>
30	NOABD and the Right to Appeal	<p>All clients have the right to appeal the determination stated in the NOABD, and there may be certain circumstances or situations in which the continuation of services is warranted, despite receiving that notice. After a client receives an NOABD, they may file for an appeal before the date listed on their notice, and they may request to have their services, as determined by medical necessity, continue at their current program during the appeal process. This process is also known as “aid paid pending.” As mentioned before, appeals may be requested either in writing or orally by the client, and the client has 60 days from receiving their NOABD to request an appeal. If they disagree with the outcome of the appeal after it's filed, they may request what is called a “State Fair Hearing.” It is important to remember that when you do issue the NOABD you must send along the three attachments that are required, because these will help explain the client's right to an appeal and how to file.</p>
31	Frequently Asked Questions (FAQ) (page 1)	<p>Now that you are familiar with the different types of NOABD and the situations in which the NOABD would be issued, let's look at some of the difficulties that may arise in certain circumstances or situations that may cause questions when the NOABD is issued. For example, if a program must issue a termination notice to a client experiencing homelessness that cannot be contacted, the program would document the inability to get a hold of the client and would log the NOABD and file the termination notice and the accompanying “NOABD Your Rights Notice” in the onsite binder.</p> <p>Remember, however, that if an emergency contact is identified in the client’s file and a release of information for the emergency contact is present in the chart, the NOABD may be sent to the emergency contact. This would be logged into the onsite binder and a copy of the notice and the “Your Rights Notice” would be kept. If a client never shows up for treatment after admission or does not return after receiving services, a program must still issue a termination notice when discharging for noncompliance.</p>
32	Frequently Asked Questions (FAQ) (page 2)	<p>In the case of a juvenile client that is on probation or a client that is a minor dependent of the court, to whom do you send an NOABD? In this case, it could be sent to the Protective Services worker that is representing the client, and it could also be sent to the client directly at their placement.</p> <p>In the case of a client that is transferring to a psychiatric hospital or a long-term care facility, if the client is remaining open to your program during their stay at the facility, then you would not have to issue an NOABD. However, if the program is choosing to discharge the client, then the termination notice must be issued in this circumstance.</p>

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33	Frequently Asked Questions (FAQ) (page 3)	As mentioned previously, there are exceptions to the timeline around issuing the NOABD that may apply when a client is voluntarily terminating services early. A program may expedite the issuance of the termination notice and close the client prior to the 10-day requirement if the program obtains a clear written statement signed by the client that indicates that they are no longer wishing to receive services. While a letter that the client creates and signs will be acceptable as an exception to advance notice, a standardized form will not be acceptable, and verbal confirmation or an e-mail from the client stating that they no longer want services is not sufficient to remove the requirement of completing the NOABD and waiting for that 10-day period. The termination notice would still need to be issued.
34	Frequently Asked Questions (FAQ) (page 4)	In the unfortunate event that a client passes away while in treatment is an NOABD still required? While this is not a requirement, the program may choose to issue a notice, but this is not mandatory. If you screen a client requesting services either by phone or in person for enrollment, and determine the client is not appropriate for your program, you should issue an NOABD, even during initial screening. This would require the denial of authorization notice, as this includes determinations based on the type or level of service. This also would be sent in a circumstance when a third party makes a referral to the program of which the client is aware, but the client does not meet the medical necessity for the level of care that's been requested.
35	Frequently Asked Questions (FAQ) (page 5)	A commonly asked question is what is the date of discharge from a program?. Does it coincide with the day that the notice is provided to a client, or does it come at the end of the advance notice period? Barring an exception to the advance notice, the date of discharge should coincide with the expiration of the advance notice period. So, after the 10 days. A second frequently asked question is “Should a program keep copies of all three of the attachments along with copy of the NOABD in the log kept on the program’s premises?” Currently, a program is asked to file the NOABD itself along with only the “Your Rights” attachment that is sent to the client in the NOABD log.
36	NOABD: Resources	When issuing NOABDs, there are resources available to help with the process or to help explain questions, and the links have been included in this slide. These include the DHCS website and the Optum website, specifically under the tabs of NOABD, Beneficiary, SUDPOH, and SUDURM. Questions for Quality Assurance may be sent to the address for QI Matters. Links are also provided to both of the advocacy programs, Jewish Family Services of San Diego and the Legal Aid Society of San Diego Consumer Center (or CCHEA).
37	Thank you	This completes today's training on Notices of Adverse Benefits Determination as they relate to DMC-ODS services. Thank you for participating and I hope you have a wonderful day.

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