1600 9th Street, Room 410, Sacramento, CA 95814
(916) 651-3838

September 3, 2010

DMH LETTER NO.: 10-05

TO: LOCAL MENTAL HEALTH DIRECTORS

SUBJECT: DEPARTMENT OF HEALTH CARE SERVICES (DHCS) AUTHORITY TO IMPOSE SANCTIONS

CERTIFICATION OF PROVIDERS LISTED ON THE OFFICE OF INSPECTOR GENERAL EXCLUSION LIST/ MEDI-CAL LIST OF SUSPENDED OR INELIGIBLE PROVIDERS

REFERENCE: http://exclusions.oig.hhs.gov/search.aspx
www.medi-cal.ca.gov

As part of the ongoing collaboration between Department of Mental Health (DMH) and DHCS: Medical Review Branch: Audits and Investigations in the exercise of their oversight responsibilities related to Medi-Cal specialty mental health services, this letter underscores the current authority of DHCS to impose administrative sanctions on MHPs and on their providers and contractors who are paid with Medi-Cal funds. In addition, DHCS shall make all referrals to the appropriate state and federal agencies whenever there is a mandatory reporting requirement and in all emergency situations.

This letter also provides clear instructions that the Mental Health Plan (MHP) shall not certify any individual or organizational provider as a Medi-Cal provider under specific conditions listed below.

Please be advised:

1. MHPs must ensure that both the Office of Inspector General's Exclusion List and the Medi-Cal List of Suspended or Ineligible Providers lists are checked, prior to Medi-Cal certification of any individual or organizational provider.

2. MHPs shall not certify any individual or organizational provider as a Medi-Cal provider, or otherwise pay any provider with Medi-Cal funds, if the provider is listed on either the Federal Office of Inspector General's Exclusion List or on the Medi-Cal List of Suspended or Ineligible Providers, and that any such inappropriate payments or overpayments may be subject to recovery and/or be the basis for other sanctions by the appropriate authority.

3. MHPs shall also provide notice regarding the authority of DHCS to impose administrative sanctions to their providers or contractors within three months of receiving this notice.

DMH will continue to work collaboratively with DHCS, as needed and in a manner consistent with its available resources, by providing ongoing support involving but not limited to follow up investigative activities and copies of prior administrative sanctions imposed by DMH against MHPs, their providers or contractors.

Any questions concerning this information may be directed to:

California Department of Mental Health
Medi-Cal Oversight
Carol Sakai, LSCW, Chief, Medi-Cal Oversight
carol.sakai@dmh.ca.gov
(916) 651-3837

Sincerely,

Original Signed by

STEPHEN W. MAYBERG, Ph.D.
Director