



**DEPARTMENT OF MENTAL HEALTH
POLICY/PROCEDURE**

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THERAPEUTIC FEE ADJUSTMENTS	804.03	08/01/2004	1 of 2
APPROVED BY:  Director	SUPERSEDES 404.3 08/01/2004	ORIGINAL ISSUE DATE 03/29/1988	DISTRIBUTION LEVEL(S) 1

PURPOSE

- 1.1 To ensure uniformity within the Department of Mental Health (DMH) when adjusting a client’s fee for therapeutic reasons. This updated policy changes the authority for approval from the District Chief to the Program Head. Additionally, the policy requires fees which were therapeutically reduced and remain unpaid once collection efforts are begun, to be reinstated to their original amount.

POLICY

- 2.1 It is the policy of DMH to allow Uniform Method for Determining Ability to Pay (UMDAP) fee adjustments for therapeutic value only. All adjustments to client UMDAP annual deductibles, including those within the shaded area on the Uniform Patient Fee Assessment Allowance Schedule, must be for therapeutic value. No other basis or rationale for fee adjustments will be accepted.

PROCEDURE

- 3.1 When, in the opinion of the therapist, a client’s treatment would benefit by an increase or decrease in the yearly liability, a therapeutic adjustment is indicated.
- 3.2 The Therapeutic Fee Adjustment Request form (Attachment I) is completed by the therapist and submitted to the Program Head for approval.
- 3.3 It is the responsibility of the therapist to advise the client that the adjustment is not effective unless it is approved by the Program Head. Should the request be denied, the original liability will stand.
- 3.4 The therapist must explain to the client that, in the event the client fails to pay a reduced fee, the original liability will be reinstated when collection is pursued.



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- 3.5 The reason for the request must clearly detail the anticipated positive or negative impact in which the approval or disapproval could result.
- 3.6 The form is then submitted to the Program Head for review and signature, if approved. The Program Head should make every effort to maintain a five-day turnaround to allow for timely follow up with the client.

AUTHORITY

Revenue Manual, State of California Department of Mental Health

ATTACHMENT

Attachment I Therapeutic Fee Adjustment Request form

REVIEW DATE

This policy shall be reviewed on or before August 1, 2009.