



Date Developed 05/05/05

Date Last Reviewed 08/01/06

SUBJECT: **MEDICAL NECESSITY**

Policy

"Medical Necessity" as defined by state and federal regulations refers to services that are reasonable and necessary for the diagnosis and treatment of a patient.

It is the policy of the Department of Alcohol & Drug Services to only provide Medi-Cal services to clients/patients who meet medical necessity. In order to establish medical necessity the following criteria must be met:

- a) A clinical evaluation indicates that the client/patient meets the criteria for a primary DSM-IV diagnosis of a substance-related disorder and is mentally competent and cognitively stable enough to benefit from treatment.
- b) There is a reasonable expectation that the participant's condition or level of functioning will improve with treatment
- c) The treatment is safe and effective according to nationally accepted standard clinical evidence generally recognized by mental health and substance abuse professionals
- d) An evaluation using ASAM placement criteria will be used to place the client/patient in the most appropriate and cost-effective level of care that can be provided for the client/patient's immediate condition.

Procedures

An individualized treatment plan is developed that is appropriate for the client/patient's condition.

Initial treatment plans shall include:

- a) A statement of the problems to be addressed
- b) Goals to be reached which address each problem
- c) Action steps which will be taken to accomplish the identified goals
- d) Target dates for the accomplishment of action steps and goals

Evaluation of progress in treatment will be on-going and documentation in progress notes will record progress towards treatment goals. When a client no longer meets medical necessity, the client will be discharged from the program.