

NOABD – Notice of Adverse Benefit Determination

Previously in the Solano County Mental Health Plan (MHP), providers have completed State required forms called Notice of Action (NOA) in certain situations. In 2018 the State updated these forms and they are now termed Notice of Adverse Benefit Determination (NOABD). The definition of an “Adverse Benefit Determination” encompasses all previous elements of “Action” under federal regulations with the addition of language that clarifies the inclusion of determinations involving medical necessity, appropriateness and setting of covered benefits, and financial liability. Clients have the right to appeal these determinations, so accurate and clear documentation and adherence to requirements is important.

There are multiple situations where a provider is required to issue a NOABD. The previous reasons for issuing a NOA-A and NOA-E remain and some reasons have been added. The situations when providers will need to complete a NOABD, as well as the requirements for each, are described throughout this section. Quality Improvement (QI) is responsible to track NOABDs and any outcomes of this process in a timely manner, which is also outlined.

NOABD Requirements

Written Requirements

Due to the change to the NOABD process, the NOA triplicate forms are now obsolete and should no longer be issued.

Clients must receive a written NOABD when the MHP takes any of the actions described in the “Types of NOABDs” section. Programs will have access to standardized NOABD electronic forms specific to Solano County in both English and Spanish (currently being created) and must use these versions. All written requirements as prescribed by the State are included in these forms as well as prompts for the provider to complete required client and provider specific information. Information entered by providers should be written in basic language that is easy to understand.

Electronic Form Details

- The electronic forms are only editable in certain sections
- There is no spelling or grammar check – make sure information entered is accurate

Each NOABD must explain the following information:

- ✓ The adverse benefit determination the MHP has made or intends to make
- ✓ A clear and concise explanation of the reason(s) for the decision, including the clinical reason for the decision, explicitly stating why the client’s condition does not meet specialty mental health services (SMHS) medical necessity criteria
- ✓ A description of the criteria used, which could include medical necessity criteria and any processes, strategies, or evidentiary used in making this determination

- ✓ The client’s right to be provided upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the client’s adverse benefit determination

Required Attachments

There are three attachments that must be provided to a client whenever a NOABD is issued. Two of these attachments are embedded in the electronic documents and will print out with each specific NOABD. The third attachment, “Language Assistance”, must be printed out separately and provided to the client with the other documents.

1. The NOABD “Your Rights Under Medi-Cal” attachment informs a client of critical appeal and State hearing rights
2. The “Nondiscrimination Notice” attachment provides information regarding the MHP not discriminating on the basis of race, color, national origin, sex, age, or disability
3. The “Language Assistance” taglines provide prompts in multiple languages to alert clients that documents are available in different languages at no cost to the client

The “Language Assistance” attachment must be printed out separately and included with the NOABD given to the client

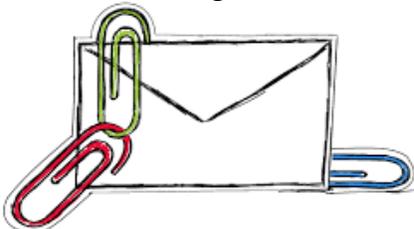
Please Note: The Nondiscrimination Notice and Language Assistance taglines are required to be sent with any NOABD related correspondence

Who Receives the NOABD and When

The MHP is required to mail the original copy of any NOABD and required attachments to the client within certain timeframes. The timeframes vary between forms ranging from day of determination to 10 business days – please refer to the specific form description in the following section as well as the “Easy Reference Guide for NOABD Notices” in the Process Manual for accurate timeframes for specific forms.

A copy of the NOABD and attachments must be sent to the client/legal guardian, a copy filed in client’s chart/medical record, and copy sent to QI. ***A copy must be sent to QI with 24 hours of the action being taken.***

- ✓ Original NOABD – Client or parent/legal guardian
- ✓ Copy of NOABD – Client’s medical record
- ✓ Copy of NOABD – Send to Quality Improvement within 24 hours (via fax, scanned through secure email, or mail)



Types of NOABDs

Delivery System Notice

The **Delivery System Notice** NOABD is issued by a point of Access within the MHP, such as the Access Line or when a client walks into a clinic for an initial screening. If upon initial screening, prior to initiating the assessment process, it is determined that the client would not be appropriately served by the MHP and requires a referral, this NOABD would be issued. Examples of referrals to other services could include Beacon Health, substance abuse services, other insurance utilized, or physical health care.



When a client is determined upon initial screening that the client would not be appropriately served by the MHP and requires a referral, the provider making this determination will:

1. Complete the **Delivery System Notice** NOABD
2. Send a copy to QI within 24 hours
3. Within 2 business days of the decision, mail or provide a copy in person to the client or parent/legal guardian of the following:
 - a. The **Delivery System Notice** NOABD, which includes the “Your Rights Under Medi-Cal” and “Nondiscrimination Notice” attachments
 - b. The “Language Assistance” attachment
4. Retain a copy of the notice for the clinic

Denial Notice

The **Denial Notice** NOABD is issued when the Solano MHP, upon initial assessment, has determined that the client does not meet the criteria to be eligible for SMHS through the MHP. The client will be referred to Solano’s Managed Care Plan - Beacon Health or another appropriate system for mental health or other services. The reason for issuance is similar to the previous NOA-A.

When a client is determined at an initial assessment to not meet the criteria to be eligible for SMHS from a program in the MHP for moderate to severe impairment, the provider making this determination will:

1. Complete the **Denial Notice** NOABD
2. Send a copy to QI within 24 hours
3. Within 2 business days of the decision, mail or provide a copy in person to the client or parent/legal guardian of the following:
 - a. The **Denial Notice** NOABD, which includes the “Your Rights Under Medi-Cal” and “Nondiscrimination Notice” attachments

- b. The “Language Assistance” attachment
4. Put a copy of the notice in the client’s chart
5. Complete all initial assessment forms to document thorough explanation of client’s ineligibility for SMHS (the assessment process can be billed)
6. Complete a progress note documenting:
 - a. Explanation of assessment findings and evidence of client’s not meeting criteria for SMHS
 - b. How this was communicated to the client and the client’s response
 - c. Referrals offered to the client or recommendations

Thorough chart documentation is very important to support the clinical decision making in the case that the Denial NOABD is appealed

Timely Access Notice



The **Timely Access Notice** NOABD is issued when Solano MHP has not provided the client with timely services, as required by the timely access standards applicable to the requested service. The MHP must issue this notice if access to services was not provided within MHP standardized timelines.

- For routine assessment - 10 business days from the initial request for services
- For an urgent assessment - 3 business days from the initial request for services
- For psychiatric appointments - 15 business days from the initial request for services

If a client was offered a timely appointment, but declined or chose a later date, this NOABD would not need to be issued. The reason for issuance is similar to the previous NOA-E.

When the above timeliness standards are not met, a staff member within the assigned program will:

1. Complete the **Timely Access Notice** NOABD
2. Send a copy to QI within 24 hours
3. Within 2 business days of the delay, mail or provide a copy in person to the client or parent/legal guardian of the following:
 - a. The **Timely Access Notice** NOABD, which includes the “Your Rights Under Medi-Cal” and “Nondiscrimination Notice” attachments
 - b. The “Language Assistance” attachment
4. Put a copy of the notice in the client’s chart

Modification Notice

The **Modification Notice** NOABD is issued when the Solano MHP modifies or limits a provider's request for a service, including reductions in frequency and/or duration of services, and approval of alternative treatments and services. This NOABD would be issued in these cases when the client and provider are **NOT** in agreement to the modification. If there is any hesitance by the client regarding the modification, the Modification Notice NOABD should be issued so that the client has information on how to appeal this decision.

When the MHP modifies or limits a provider's request for a service, the staff representing the MHP who is making this determination will:

1. Complete the **Modification Notice** NOABD
2. Send a copy to QI within 24 hours
3. Within 2 business days of the decision, mail or provide a copy in person to the client or parent/legal guardian of the following:
 - a. The **Modification Notice** NOABD, which includes the "Your Rights Under Medi-Cal" and "Nondiscrimination Notice" attachments
 - b. The "Language Assistance" attachment
4. Put a copy of the notice in the client's chart
5. Ensure that the PSC completes assessment document(s) and/or CSP to reflect and justify changes to services or level of care as well as a progress note explaining what occurred

Termination Notice

The **Termination Notice** NOABD is issued when a case is being closed either because the client no longer meets medical necessity or has not participated in treatment. This would not apply if a client and provider are in agreement to end services due to successful completion. If there is any hesitance by the client regarding termination, the Termination Notice NOABD should be issued so that the client has information on how to appeal this decision.

There are different versions of the **Termination Notice** for situations resulting in discharge:

1. Termination Notice – Non-Engagement - When a client has not been coming to appointments and has not been responsive to the provider's attempts to engage in services and address lack of participation
2. Termination Notice – Not Meeting Medical Necessity - When a client no longer meets the medical necessity for SMHS

When the MHP closes the case either because the client no longer meets medical necessity for SMHS or has not participated in treatment, the provider will:

1. Complete the appropriate version of the **Termination Notice** NOABD
2. Send a copy to QI within 24 hours
3. Within 10 business days before the date of closing/discharge, mail or provide a copy in person to the client or parent/legal guardian of the following:
 - a. The **Termination Notice** NOABD, which includes the “Your Rights Under Medi-Cal” and “Nondiscrimination Notice” attachments
 - b. The “Language Assistance” attachment
4. Put a copy of the notice in the client’s chart and send a copy to QI
5. Write a progress note or series of progress notes that document the circumstances, rationale, and provider’s efforts leading to termination

Please see NOABD videos in the Process Manual for further directions on completing each specific form

For further details, please see the MHSUDS Information Notice 18-010E

[https://www.dhcs.ca.gov/services/MH/Documents/Information%20Notices/NOABD%20IN/MHSUDS IN 18-010 Federal Grievance Appeal System Requirements.pdf](https://www.dhcs.ca.gov/services/MH/Documents/Information%20Notices/NOABD%20IN/MHSUDS%20IN%2018-010%20Federal%20Grievance%20Appeal%20System%20Requirements.pdf)