



ALAMANCE-CASWELL  
LOCAL MANAGEMENT ENTITY

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Norman M. Melton, Jr.  
Chair, Area Board

From: Alicia Graham, LPC  
UM Manager

Date: July 7, 2006

Re: Communication Bulletin #11A  
Medicaid Transition of services to Value Option

As you all know, Value Options are currently authorizing services for new Medicaid child and adolescent clients. They will be picking up the other populations on a staggered schedule. I have attached a table below for your convenience.

Dates Services are authorized by Value Options	June 1	July 1	July 15	August 15	September 15
New Children/adolescents	X				
Concurrent Children/adolescents			X		
New Adults		X			
Concurrent Adults				X	
All Residential Transition	X				
CAP/Targeted Case Management					X
EPSDT	X				

When the LME receives a call from a client that is Medicaid and is to be authorized by Value options, we will screen the client, give them client choice, assign them a client record number and then transfer the client to the chosen provider. **No authorization will be given.** If the client is suicidal or homicidal, they will be seen by our UR/STR unit. For clients that walk into the LME or are seen on a hospital follow-up appointment, they will be seen and referred out to the provider of their choice. **An authorization will not be given.** The provider will need to obtain this from Value Options.

Below is information that will help you get through the transition to Value Options as smooth as possible.

- As of **June 1, 2006** all new services for **children/adolescents** need prior authorization by Value options.
- As of **June 1**, all levels of residential services need prior approval by Value Options. This includes those with less than 4 beds, Level I, II, and III. There will no longer be any 30/120 day authorizations by the LME. Services have to be authorized by VO from Day 1 (for dates of service beginning June 1, 2006).
- Beginning July 1, 2006, **as long as funds are available**, for children in residential that are non-Medicaid, the LME will authorize Treatment, Room and Board, Therapeutic Leave and Therapeutic Leave Room and Board. For children in residential that have Medicaid, the LME will only authorize Room and Board and Therapeutic Leave Room and Board, as these are the services that are billable to the state. **When you request these services to be authorized they will be matched up with the Value Options authorization received by the LME and then your request will be processed.**
- Although Value Options are handling the Medicaid authorizations the unmanaged visits for provisionally licensed clinicians and unlicensed clinicians still have to go through the LME for billing. **Starting July 10, 2006 you will not have to send in an authorization request for these visits.** You can bill through the LME. However, it is your responsibility to ensure that you have sent in the necessary treatment request form to Value Options to cover all services rendered that are billed to Medicaid.  
**This means all services billed through the LME for provisionally licensed and unlicensed therapist will be forwarded to Medicaid/EDS for payment. If Medicaid/EDS denies payment based on a lack of an authorization, the LME will also deny payment.**
- Billing for Medicaid services for which direct enrollment with DMA is not yet possible, such as Residential Level II Program Type and Level III facilities with less than four beds, the LME will continue to process billing on behalf of providers for the limited number of services outlined in *Enhanced Services Implementation Update #9* memorandum from DHHS and DMA. Please note that no authorization through the LME is required. Again it is your responsibility to ensure that you have sent in the necessary information to Value Options to obtain the authorization. Payment from the LME will be based upon payment by Medicaid.
- By July 15, 2006, prior approval is required by Value options for all children and adolescent services.

- As of July 1, 2006 all **adult** consumers seeking new services will need prior authorization by Value Options.
- Concurrent reviews for all adult services will need prior authorizations by August 15 by Value options.
- Authorization for all **CAP/Targeted Case Management** clients begins **September 1, 2006** by Value options.
- As of June 1 2006 all **EPSDT** request go directly to Value Options. These requests are only for children under the age of 21.