



**Date:** February 8, 2024

**To:** Secure Residential Treatment Facilities

**From:** Donny Jardine, Medicaid Behavioral Health Policy manager  
Medicaid Programs

**Subject:** Medical necessity reviews for SRTF level of care

Starting February 1, 2024, Oregon Health Authority (OHA) and Oregon's Independent and Qualified Agent (Comagine Health) began documentation reviews to assess the medical necessity and medical appropriateness of SRTF care for Oregon Health Plan members currently receiving treatment at SRTFs.

- If Comagine Health finds that someone doesn't meet the required medical criteria for this level of care, they will refer the review to OHA before issuing a payment denial.
- To ensure accurate assessments, SRTFs must provide Comagine Health complete documentation according to Oregon Administrative Rules (OARs) [410-120-1360](#) and [410-172-0620](#).

If Comagine Health issues a payment denial, OHA will provide Medicaid funding for up to 60 days to help the member transition to a less intensive level of care if possible.

### Why is this happening?

OAR [410-172-0720](#) requires thorough evaluations of both medical necessity and medical appropriateness for people receiving treatment SRTFs. These reviews ensure that OHA follows OARs and federal regulations related to Medicaid eligibility and reimbursement for SRTF care.

### What should you do?

Denial of Medicaid payment is not a denial of service. If someone can't move to a lower level of care because of a forensic status or other discharge barriers, the Exceptional Needs Care Coordinator (ENCC) can explore alternative funding sources with:

- Michael Oyster at [michael.w.oyster@oha.oregon.gov](mailto:michael.w.oyster@oha.oregon.gov) for Choice Model/Aid and Assist or
- Megan Harper at [megan.l.harper@oha.oregon.gov](mailto:megan.l.harper@oha.oregon.gov) for Psychiatric Security Review Board.

It's crucial to coordinate with Comagine Health and the ENCC during this process to ensure a smooth transition of payment.

### Questions?

If you have any questions about this announcement, contact David Sant at [david.sant@oha.oregon.gov](mailto:david.sant@oha.oregon.gov) or 503-508-5248.

Thank you for your continued support of the Oregon Health Plan and the services you provide to our members.