



Policy and Procedure No: UM 39.1		Revision No: 1
Division: Care Management		
Department: Utilization Management		
Title: PHC-CA Intermediate Care Facilities for the Developmentally Disabled		
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Approving Committee: Utilization Management Committee		Date: 12/15/2025
Executive Oversight Committee Date: 12/16/2025		

Purpose:

To describe the how PHC California (the Health Plan) coordinates and provides coverage of services by Intermediate Care Facilities for Individuals with Developmental Disabilities (ICF/DD) in accordance with Department of Health Care Services (DHCS) All Plan Letter (APL) 23-023.

Policy:

1. Health Plan enrollees who reside in an ICF/DD home are to remain enrolled in the plan instead of being disenrolled to Regular Medi-Cal (fee-for-service).
2. The Health Plan covers the per diem cost of ICF/DD home living arrangements for enrollees with intellectual and developmental disabilities who are eligible for services and supports through the Regional Center service system.
 - a. The Health Plan authorizes and covers medically necessary ICF/DD home services, consistent with definitions in the Medi-Cal Provider Manual. Services included and excluded from homes per diem are listed in Attachment A of DHCS APL 23-023.
 - b. The Health Plan requires the Certification for Special Treatment Program Services Form HS 231 as evidence of the Regional Center’s determination that the enrollee meets the ICF/DD home level of care.
 - c. The Regional Center’s determination of medical necessity stands for both initial authorizations and reauthorizations.
 - d. In accordance with DHCS APL 23-023 and W&I 14197, the Health Plan ensures that access to the ICF/DD home benefit is available within five calendar days of receiving an authorization request from the ICF/DD home.
 - e. When a reauthorization of ICF/DD-N home services is requested, the ICF/DD-N home must submit a copy of the enrollee’s individual service plan (ISP).
 - f. In the event an enrollee is discharged from or transferred out of an ICF/DD home, the new ICF/DD home must submit an updated authorization request that includes the changed dates of service.

3. The Health Plan covers and authorizes medically necessary covered services to enrollees who reside in or are obtaining care in an ICF/DD home. Routine authorizations are subject to a turnaround time of five working days. Services include:
 - a. Routine and unusual specialty referral and access
 - b. Ancillary services such as therapy (physician, occupational, speech)
 - c. Covered, medically necessary dental services
 - d. Covered, medically necessary behavioral health care services
 - e. Standing referrals
 - f. Medically necessary services through out-of-network providers, including access for the completion of covered services by an out-of-network provider or terminated provider
 - g. Home services, professional services, ancillary services, and transportation services
4. The Health Plan provides the appropriate level of care coordination to enrollees residing in ICF/DD homes, as outlined in DHCS APL 23-023 and in adherence to requirements in the plan's DHCS contract and DHCS' Population Health Management (PHM) Policy Guide.
5. The Health Plan coordinates transportation services with ICF/DD homes.
 - a. The plan covers non-emergency medical transportation (NEMT) and non-medical transportation (NMT) services as set forth in the plan's contract with DHCS and APL 22-008 unless otherwise covered.
 - b. The Health Plan does not cover day program and related transportation, which is provided by ICF/DD homes.
6. The Health Plan meets standards for timely provision of access for its enrollees residing in ICF/DD homes, including:
 - a. Appropriate clinical timeframes
 - b. Standards for timely specialty appointments
 - c. Shortening or expanding timeframes
 - d. Arranging timely appointments during a provider shortage
7. In the event a Medi-Cal-eligible individual who resides in an ICF/DD home elects to voluntarily enroll in PHC California, the Health Plan provides continuity of care.
 - a. In accordance with DHCS APL 23-023, the Health Plan allows the enrollee to stay in the same ICF/DD home if that is the enrollee's preference and all of the following apply:
 - i. The ICF/DD home is licensed by the California Department of Public Health (CDPH);

- ii. The ICF/DD home is enrolled as a Medi-Cal provider;
 - iii. The Health Plan will pay the ICF/DD home payment rates that meet state statutory requirements; and
 - iv. The ICF/DD home meets the Health Plan's applicable professional standards and has no disqualifying quality-of-care issues.
- b. The Health Plan allows enrollees or their authorized representatives to request an additional twelve (12) months of continuity of care following their initial twelve (12) month continuity of care period, pursuant to the process established by DHCS APL 23-022 or any superseding APL.
 - c. The Health Plan allows enrollees to continue seeing their out-of-network providers if the enrollee, authorized representative, or provider contacts the plan to make the request.
 - d. The Health Plan provides continuity of care for all medically necessary ICF/DD home services at the time of enrollment, including professional services, ancillary services, and transportation services not already provided in the ICF/DD home per diem rate. Enrollees may continue seeing their existing out-of-network Medi-Cal providers for up to twelve (12) months after enrollment when the following conditions are met:
 - i. The enrollee has a pre-existing relationship with the provider, defined as having seen the provider for at least one non-emergency visit in the prior twelve (12) months.
 - ii. The provider meets the Health Plan's professional standards and has no disqualifying quality of care issues; and
 - iii. The provider is willing to work with the MCP (i.e., agree on payment and/or rates).
 - e. The Health Plan strives to ensure continued access to providers that have experience and expertise working with individuals with developmental disabilities, including NEMT, NMT, facility services, professional services, select ancillary services, and care coordination.
 - f. The Health Plan allows enrollees to maintain current drug therapy, including non-formulary drugs, until the enrollee is evaluated or re-evaluated by a network provider.
8. The Health Plan honors TARs approved by DHCS as follows:
- a. ICF/DD home services provided under the per diem rate: for the duration of the TAR for existing requests and for up to two years for any new requests.
 - b. ICF/DD home services exclusive of the per diem rate: for a period of ninety (90) days after enrollment or until the Health Plan is able to reassess the enrollee and authorize and connect the enrollee to medically necessary services.
9. The Health Plan complies with regulations regarding leave of absence (LOA) and bed hold policies as detailed in 22 CCR sections 51535 and 51535.1.
- a. The Health Plan covers the stay when an enrollee transfers from an ICF/DD home to any acute care hospital setting, a post-acute care setting such as a skilled nursing facility (SNF),



or a rehabilitation facility, and then requires a return to an ICF/DD home.

- b. The Health Plan includes as a covered benefit any LOA or bed hold that an ICF/DD provides.
 - c. The Health Plan authorizes up to seventy-three (73) days per calendar year for an LOA.
 - d. A physician signature is required for an LOA only when an enrollee is participating in a summer camp for the developmentally disabled.
 - e. For a bed hold, the Health Plan authorizes up to a total of seven (7) calendar days per hospitalization.
 - i. The ICF/DD home must hold a bed vacant during the entire hold period, a maximum of seven days for each bed hold period, but is not required to hold the bed if notified in writing by the attending physician that the patient requires more than seven days of hospitalization.
 - f. The Health Plan allows the enrollee to return to the same ICF/DD home where the enrollee previously resided if it is the enrollee's preference.
 - i. If the enrollee wishes to transition to a non Medi-Cal funded living situation, the Regional Center takes the lead on discharge and transition planning with input from other stakeholder such as the hospital, the original ICF/DD home, and the Health Plan.
 - ii. If the enrollee chooses to transition to a different Medi-Cal level of care, the Health Plan takes the lead on discharge and transition planning in collaboration with the Regional Center.
10. The Health Plan designates an LTSS Liaison who serves as the plan's point of contact with ICF/DD homes.
11. The Health Plan determines financial responsibility for prescription drugs used by residents of ICF/DD homes by claim type consistent with DHCS APL 22-012. The Health Plan covers drugs billed on a medical or institutional claim (rather than a pharmacy claim), including physician-administered drugs, that are not carved out and paid by Medi-Cal Rx.
12. The Health Plan ensures that ICF/DD staff receive training on claims submission (including what constitutes a clean claim), payment processes, benefits coordination, and balance billing prohibitions.
13. The Health Plan pays claims from ICF/DD homes in a timely manner in accordance with its DHCS contract, DHCS APL 23-020, and PHC California Policy and Procedure CL 10, Claims Compliance Timeliness, Interest, and Penalty Payments.
14. The Health Plan coordinates benefits with other health coverage (OHC) programs or entitlements in accordance with DHCS APL 22-027 and PHC California Policy and Procedure CL 3, Coordination of Benefits.

- a. The Health Plan recognizes OHC as primary and the Medi-Cal program as the payer of last resort by exercising cost avoidance and conducting post-payment recovery for the reasonable value of the services if the OHC is identified retroactively, if the enrollee has an OHC indicator of A, or if the service is required to be “pay and chase.”
 - b. Medicare does not cover ICF/DD home benefits. ICF/DD home benefits are exclusively covered by Medi-Cal.
 - c. Enrollees may continue to use their OHC after enrollment in the Health Plan. OHC providers do not need to be in the Health Plan’s network to continue providing services or billing the Health Plan for co-pays.
 - d. If a Health Plan enrollee has Medicare coverage or OHC, the Health Plan coordinates care and addresses coverage needs, regardless of payer source.
15. In the event an enrollee resides in an ICF/DD home that is subject to a CDPH de-certification or suspension, the Health Plan will work with the enrollee’s Regional Center to coordinate care and work jointly to transition the enrollee appropriately.
16. As a voluntary enrollment plan, PHC California does not receive assignment of new enrollees resulting from mandatory transitions from fee-for-service (FFS) Medi-Cal to Medi-Cal managed care for institutional LTC patients. The requirements of DHCS APL 23-023 concerning transitioning Medi-Cal beneficiaries do not apply.

Procedure

1. The Utilization Management Registered Nurse (UMRN), under the direction of the Medical Director and National Director of Care Coordination, processes authorization requests related to ICF/DD home benefits in accordance with PHC California Policy and Procedure UM 22 Authorization Referral Process. The UMRN verifies the enrollee is eligible for services and supports through the Regional Center service system.
2. The Authorization Coordinator communicates in writing decisions to modify, delay or deny services of ICF/DD homes (adverse determinations) to enrollees as described in PHC California Policy and Procedure UM 22 Authorization Referral Process.
3. The Authorization Coordinator notifies enrollees or their authorized representatives of their right to request continuity of care and furnishes a copy of the notification to the ICF/DD home.
4. The UMRN notifies enrollees and enrollees’ authorized representatives in writing of the right to exercise the bed hold provision. The UMRN receives ICF/DD bed hold requests and processes them with guidance from the Medical Director in accordance with policy item #9 in this policy and procedure.
5. In the event an enrollee does not wish to return to the same ICF/DD home following a LOA or approved bed hold period, the National Director of Care Coordination or designee provides care coordination and transition support, including working with the assigned Regional Center, in order to assist the enrollee to identify another ICF/DD home.
6. In the event the Health Plan denies continuity of care, the UMRN provides the enrollee with a written Notice of Action (NOA) of an adverse benefit determination in accordance with DHCS APL

21-011 and PHC California Policy and Procedure UM 22 and furnishes a copy of the NOA to the ICF/DD home.

7. The Director of Member Services and Call Center Operations or designee and the National Director of Care Coordination or designee maintain grievance and appeal systems for enrollees residing in ICF/DD homes, as described in PHC California Policy and Procedure RM 7 Enrollee Grievance Process and UM 24 Adverse Benefit Determination Appeal Process.
8. The National Director of Care Coordination serves as the Long-Term Services and Supports (LTSS) Liaison. The role and responsibilities of the LTSS Liaison include, but are not limited to:
 - a. Receiving training on the full spectrum of rules and regulations pertaining to Medi-Cal covered LTC, including payment and coverage policies, prompt claims payment requirements, provider resolutions policies and procedures, and care management, coordination, and transition policies.
 - b. Assisting ICF/DD homes in addressing claims and payment inquiries and assisting with care transitions among the LTSS provider community to best support enrollees' needs.
 - c. Ensuring that network providers, including ICF/DD homes that are within network, have relevant contact information.
9. The National Director of Care Coordination or designee orchestrates and provides Basic Population Health Management to enrollees residing in ICF/DD homes, including transitional care services, as described in Policy and Procedure CM 13 Population Health Management.
10. The Director of Member Services and Call Center Operations or designee coordinates transportation services, including NEMT and NMT, with ICF/DD homes for enrollees who are residents of the home.
11. The National Director of Contracting and Provider Relations or designee establishes and maintains an adequate network consisting of ICF/DD, ICF/DD-H, and ICF/DD-N homes licensed and certified by CDPH. The network must include, at minimum, one of each ICF/DD home type within California, prioritizing homes in Los Angeles county if possible. In the event no facilities of an ICF/DD home type are willing to contract with the plan, the National Director of Contracting and Provider Relations or designee provides evidence to DHCS of the Health Plan's good faith contracting efforts.
12. In the event a resident of an ICF/DD home voluntarily enrolls in the Health Plan, the National Director of Contracting and Provider Relations or designee pursues a provider agreement with the enrollee's current ICF/DD home.
13. In the event a resident of an ICF/DD home voluntarily enrolls in the Health Plan, the National Director of Contracting and Provider Relations or designee seeks to contract with any providers currently serving the enrollee. If efforts to secure contracts are exhausted, the National Director of Contracting and Provider Relations or designee seeks to contract with other providers that are equipped and appropriately trained to work with individuals with intellectual and development disabilities.
14. In accordance with PHC California policy and procedure PR 3 the National Director of Contracting and Provider Relations or designee conducts orientation training for the staff of newly contracted ICF/DD homes within 10 working days of active status and provides additional trainings throughout

the year, including but not limited to claims submission, payment processes, benefits coordination, and balance billing prohibitions.

15. The National Director of Managed Care Operations or designee processes and pays claims from ICF/DD homes in a timely manner in accordance with its DHCS contract and APL 23-020, and as described in PHC California Policy and Procedure CL 10 Claims Compliance Timeliness, Interest, and Penalty Payments.
16. The National Director of Contracting and Provider Relations or designee ensures that ICF/DD homes undergoing a change of ownership receive a preapproval or assessment of suitability from CDPH prior to the execution of a network provider agreement.
17. The Director of MSO and Credentialing or designee oversees streamlined credentialing and recredentialing processes for ICF/DD homes in accordance with DHCS APL 23-023, DHCS' ICF/DD Resource Guide, and PHC California Policy and Procedure CR 1 Credentialing and Recredentialing Program.

Definitions:

Intermediate care facility for the developmentally disabled (ICF/DD) home: A facility that provides 24-hour personal care, habilitation, developmental, and supportive health services to persons with developmental disabilities whose primary need is for developmental services and who have a recurring but intermittent need for skilled nursing services. (H&S section 1250[g])

Intermediate care facility for the developmentally disabled–habilitative (ICF/DD-H) home: A facility with a capacity of 4 to 15 beds that provides 24-hour personal care, habilitation, developmental, and supportive health services to 15 or fewer persons with developmental disabilities who have intermittent recurring needs for nursing services, but have been certified by a physician and surgeon as not requiring availability of continuous skilled nursing care. (H&S section 1250[e])

Intermediate care facility for the developmentally disabled–nursing (ICF/DD-N) home: A facility with a capacity of 4 to 15 beds that provides 24-hour personal care, developmental services, and nursing supervision for persons with developmental disabilities who have intermittent recurring needs for skilled nursing care but have been certified by a physician and surgeon as not requiring continuous skilled nursing care. The facility serves medically fragile persons with developmental disabilities or who demonstrate significant developmental delay that may lead to a developmental disability if not treated. (H&S section 1250[h])

“Facility” and “home” are interchangeable terms for an ICF/DD facility.

Monitoring:

The Utilization Management, Quality Improvement and Health Equity, and Member and Provider Committees review this policy and procedure annually and update it accordingly.

References:

1. [DHCS APL 23-023](#), Intermediate Care Facilities for Individuals With Developmental Disabilities -- Long Term Care Benefit Standardization and Transition of Members to Managed Care, published November 28, 2023.

2. [DHCS APL 22-012 \(Revised\)](#), Governor's Executive Order N-01-19, Regarding Transitioning Medi-Cal Pharmacy Benefits from Managed Care to Medi-Cal Rx, published December 30, 2022.
3. [DHCS APL 23-022](#), Continuity of Care for Medi-Cal Beneficiaries Who Newly Enroll in Medi-Cal Managed Care from Medi-Cal Fee-For-Service, On or After January 1, 2023, published August 15, 2023.
4. [DHCS APL 23-020 \(Revised\)](#), Requirements for Timely Payment of Claims, published October 12, 2023.
5. [DHCS APL 22-027](#), Cost Avoidance and Post-Payment Recovery for Other Health Coverage, published December 6, 2022.
6. [DHCS APL 13-003](#), Coordination of Benefits: Medicare and Medi-Cal, published February 8, 2013.
7. W&I 14197
8. [DHCS APL 22-008 \(Revised\)](#), Non-Emergency Medical and Non-Medical Transportation Services and Related Travel Expenses (Supersedes APL 17-010), published May 18, 2022
9. DHCS [Population Health Management Policy Guide](#), updated January 2024
10. DHCS [ICF/DD Carve-In Resource Guide](#), updated January 2024
11. 22 CCR 51535 (bed holds) and 51535.1 (LOA)
12. PHC California Policy and Procedure PR 3 Provider Training and Education
13. PHC California Policy and Procedure CL 10 Coordination of Benefits
14. PHC California Policy and Procedure CL 3 Claims Compliance Timeliness, Interest, and Penalty Payments
15. PHC California Policy and Procedure UM 22 Authorization Referral Process
16. PHC California Policy and Procedure UM 24 Adverse Benefit Determination Appeal Process
17. PHC California Policy and Procedure CM 13 Population Health Management
18. PHC California Policy and Procedure CR 1 Credentialing and Recredentialing Program
19. [Medi-Cal Manual of Criteria](#)