

**PARTNERSHIP HEALTHPLAN OF CALIFORNIA
POLICY/ PROCEDURE**

Policy/Procedure Number: MPBP8005 (previously ADM52, MCUP3127)		Lead Department: Health Services Business Unit: Behavioral Health	
Policy/Procedure Title: Dispute Resolution Between Partnership and BHPs in Delivery of Mental Health Services		<input checked="" type="checkbox"/> External Policy <input type="checkbox"/> Internal Policy	
Original Date: 02/21/2015		Next Review Date: 06/10/2027 Last Review Date: 06/10/2026	
Applies to:	<input type="checkbox"/> Employees	<input checked="" type="checkbox"/> Medi-Cal	<input checked="" type="checkbox"/> Partnership Advantage
Reviewing Entities:	<input checked="" type="checkbox"/> IQI	<input type="checkbox"/> P & T	<input checked="" type="checkbox"/> QUAC
	<input type="checkbox"/> OPERATIONS	<input type="checkbox"/> EXECUTIVE	<input type="checkbox"/> COMPLIANCE <input type="checkbox"/> DEPARTMENT
Approving Entities:	<input type="checkbox"/> BOARD	<input type="checkbox"/> COMPLIANCE	<input type="checkbox"/> FINANCE <input checked="" type="checkbox"/> PAC
	<input type="checkbox"/> CEO <input type="checkbox"/> COO	<input type="checkbox"/> CREDENTIALS	<input type="checkbox"/> DEPT. DIRECTOR/OFFICER
Approval Signature: <i>Robert Moore, MD, MPH, MBA</i>		Approval Date: 06/10/2026	

I. RELATED POLICIES:

- A. MPBP8003 – Mental Health Services
- B. CMP36 – Delegation Oversight and Monitoring
- C. CMP30 – Records Retention and Access Requirements

II. IMPACTED DEPTS:

- A. Health Services
- B. Finance

III. DEFINITIONS:

- A. Behavioral Health Plan (BHP) is a county behavioral health plan that is responsible for providing mental health services outlined in Title 9 CCR and Title 22 CCR.
- B. Dispute: is a formal disagreement between a Medi-Cal managed care plan (MCP) and a county behavioral health plan (BHP) regarding the provision of and/or payment for mental health services that has not been resolved through informal measures and occurs when either plan makes a formal written request for a Plan Level Dispute Resolution and/or Department of Health Care Services (DHCS) Dispute Resolution.
- C. Expedited Dispute Resolution Process: means a resolution more expeditious than what is expected for a standard resolution and shall be resolved within one business day when Partnership HealthPlan of California (Partnership) and the BHP determine that the Routine Dispute Resolution timeframe would result in serious jeopardy to the Member’s life, health, or the ability of the Member to attain, maintain or regain maximum function.
- D. Member is an eligible beneficiary who is a member of Partnership HealthPlan of California (Partnership), under either the Medi-Cal or Partnership Advantage program.
- E. Memorandum of Understanding (MOU): where no reimbursement is to be made, Partnership shall negotiate in good faith an MOU for services provided by said agency. MOU shall describe the scope and responsibilities of both parties in the provision of services to Members; billing and reimbursements; reporting responsibilities; and how services are to be coordinated.
- F. Plan Level Dispute Resolution: means good faith efforts, which shall include a meeting to remedy coverage disputes as formally communicated via written notice by either Partnership or a BHP to either respective party
- G. Request for Resolution: means Partnership’s written request to DHCS for aid in resolving a dispute between Partnership and a BHP when the dispute could not be rectified via the Plan Level Dispute Resolution.

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IV. ATTACHMENTS:

A. N/A

V. PURPOSE:

Pursuant to the Department of Health Care Services (DHCS) All Plan Letter (APL) 21-013 and any future related DHCS guidance as communicated in writing, the purpose of this policy is to provide a process that allows for a formal system of resolving disputes between Partnership and a BHP when traditional communications are unable to resolve disputes. This policy also clarifies the requirement that medically necessary services will not be delayed during this dispute process.

VI. POLICY / PROCEDURE:

A. Basis for Partnership and BHP relationship

1. As an MCP, Partnership shall negotiate in good faith and execute memorandum of understanding (MOU) with county BHPs across Partnership’s service area to ensure for coordination of Medi-Cal mental health services, delineate the responsibilities of each respective party, and afford for a dispute resolution process.
 - a. MOUs shall be entered into and maintained consistent with DHCS APL 23-029 and any future related DHCS guidance as communicated in writing.

B. Guiding Principles

1. Emphasis on Timely, Collaborative Resolution
 - a. The provision of medically necessary services for members will not be delayed during the pendency of any dispute.
 - b. Partnership and BHP staff will make a good faith effort to agree to resolutions that are in the best interest of members and are agreeable to all parties involved.
 - c. Proactive and timely communication is expected between Partnership and the BHP.

C. Plan Level Dispute Resolution Process is outlined in this policy and referenced in Partnership and BHP MOUs

1. Partnership or the BHP may seek to remedy a dispute informally through discussion and dialogue. If this fails to resolve the dispute, either plan may request, in writing, a formal meeting between the two plans to identify issues and possible solutions. The receipt of the written request will initiate the Plan Level Dispute timeline in which the dispute must be resolved within 15 business days.
 - a. A Request for Plan Level Resolution can be submitted via secure email to either Partnership’s Senior Director of Behavioral Health or CEO.
2. Within 10 business days, the meeting will be conducted at a mutually agreeable time. Representatives from both Partnership and the BHP must participate in the meeting.
3. Within 5 business days from the date of the meeting, Partnership will issue to the BHP a written final position on the matter in dispute signed by the Chief Executive Officer (CEO) or their designee.
4. Members will continue to receive medically necessary services while the disagreement or dispute is being resolved in accordance with Title 9, CCR, §1850.525(a).
5. The Partnership Behavioral Health team will maintain records of Plan Level Dispute Resolutions consistent with applicable Partnership record retention policy.
6. The Expedited Dispute Resolution Process as outlined in Section E below will be followed if a Member has not received a disputed service (s) and Partnership or the BHP determines that the Routine Dispute Resolution timeframe would result in serious jeopardy to the Member’s life, health, or the ability of the Member to attain, maintain or regain maximum function.

D. DHCS Dispute Resolution Process (For further details, refer to DHCS [APL 21-013](#) Dispute Resolution Process Between BHPs and MCPs)

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1. The parties are required to document attempts to resolve the disputed issue(s), including results of the Plan Level Dispute Resolution (Title 9, CCR, §1850.505 (d) (2))
 2. If Partnership and the BHP are unable to resolve a dispute at the Plan Level, Partnership may submit a written Request for Resolution to DHCS and signed by Partnership’s CEO or their designee. The Request for Resolution must be submitted within 3 business days from the completion of the Plan Level Dispute Resolution process that didn’t result in a satisfactory resolution. A Request for Resolution should be submitted via secure email to the DHCS Managed Care Quality and Monitoring Division (MCQMD), at MCQMD@dhcs.ca.gov. Conversely, the BHP may exercise the same process to escalate the dispute to DHCS for resolution.
 3. A Request for Resolution submitted to DHCS must contain all of the following:
 - a. Summary of disputed issue(s) and a statement of the desired remedies, including any disputed services that have been or are expected to be delivered to the beneficiary by either party;
 - b. History of attempts to resolve the issue with the BHP;
 - c. Justification for Partnership’s desired remedy: and
 - d. If applicable, any additional documentation that Partnership deems relevant to resolve the disputed issue(s)
 4. Within three (3) business days after DHCS’ receipt of a Request for Resolution from Partnership or the BHP, a copy of the Request for Resolution will be forwarded by DHCS to the other party via secure email (“Notification”).
 - a. Both parties will have three (3) business days to submit a response and any relevant documents to support their position; and
 - b. If the responding party fails to respond within three (3) business days, DHCS will decide on the disputed issue(s) based solely on the documentation submitted by the requesting party.
 5. At its discretion, DHCS may allow both Partnership and BHP representatives the opportunity to present oral arguments.
 6. Within 20 business days from the third business day of the Notification date, DHCS will issue its final decision and communicate it via secure email to both Partnership’s CEO or their designee and the BHP Director.
 - a. DHCS’ decision will state the reasons for the decision, the determination of rates of payment (if rates of payment were disputed), and any actions Partnership and the BHP are required to take to implement the decision.
 - b. If DHCS’ dispute resolution determination includes a finding that the unsuccessful party has a financial liability to the other party for services rendered by the successful party, Partnership or the BHP is required to follow the financial liability criteria set forth in Title 9, CCR § 1850.530, which specify the provisions regarding financial liability rates and proof of reimbursement.
 - 1) If necessary, DHCS shall enforce the decision, including withholding funds to meet any financial liability established pursuant to Title 9, CCR, §1850.530 (Title 9, CCR, §1850.520(c)).
 7. The provision of medically necessary specialty and other mental health services, physical health care services, or other services shall not be delayed during the dispute.
- E. Expedited Dispute Resolution Process
1. Either Partnership or the BHP may seek to enter an Expedited Dispute Resolution Process if a Member has not received a disputed service(s) and Partnership or the BHP determine that the Routine Dispute Resolution timeframe would result in serious jeopardy to the Member’s life, health, or the ability of the Member to attain, maintain, or regain maximum function.
 2. Under this process, both Partnership and the BHP will have one business day to resolve the dispute at the Plan level.
 3. If Partnership and the BHP fail to resolve an Expedited dispute within one business day, each party

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must file a Request for Resolution with DHCS within one business day. The request must include an affirmation of the Member’s stated jeopardy.

4. If either plan fails to submit a Request for Resolution and/or documentation to DHCS, DHCS will base its decision upon the documentation submitted.
 5. DHCS will render a decision within one business day upon receipt of said request.
- F. To ensure there is not a delay in the provision of medically necessary services to a member during a dispute, the following actions will apply:
1. When the dispute concerns Partnership’s contention that the BHP is required to deliver specialty mental health services to a beneficiary either because the beneficiary's condition would not be responsive to physical health care based treatment or because the BHP has incorrectly determined the beneficiary's diagnosis to be a diagnosis not covered by the BHP, Partnership shall manage the care of the beneficiary under the terms of its contract with the State until the dispute is resolved, pursuant to Title 9, CCR, §1850.525 (Title 9, CCR, §1850.525(b)).
 2. When the dispute concerns the BHP’s contention that Partnership is required to deliver physical health care based treatment of a mental illness, or to deliver prescription drugs or laboratory, radiological, or radioisotope services required to diagnose or treat the mental illness, the BHP shall be responsible for providing or arranging and paying for those services to the beneficiary until the dispute is resolved, pursuant to Title 9, CCR, §1850.525 (Title 9, CCR, §1850.525(c)).
- G. Delegation of Plan Level Dispute Resolution
1. Partnership does not delegate the responsibility of MCP and BHP dispute resolution, including the handling of Plan Level Dispute Resolution, to any Subcontractor and as such, is directly responsible for facilitating the Plan Level Dispute Resolution.
 2. Where Partnership has delegated responsibility for the provision of Covered Services, consistent with its DHCS Medi-Cal managed care contract, Partnership may seek data, documentation, and information from Subcontractors to support satisfactory dispute resolution.

VII. REFERENCES:

- A. Title 9, California Code of Regulations (CCR) Sections [§1810.370](#), [§1850.505](#), [§1850.520](#), [§1850.525](#), and [§1850.530](#)
- B. Title 22 CCR Section [53855](#)
- C. DHCS [APL 23-029](#) Memorandum of Understanding Requirements for Medi-Cal Managed Care Plans and Third Party Entities (10/11/2023)
 1. [Specialty Mental Health Services Memorandum of Understanding Template](#)
- D. DHCS [APL 21-013](#) Dispute Resolution Process Between Mental Health Plans and Medi-Cal Managed Care Health Plans (10/04/2021)
- E. DHCS Behavioral Health Information Notice [BHN 21-034](#) Dispute Resolution Process Between Mental Health Plans and Medi-Cal Managed Care Plans (10/04/2021)
- F. DHCS [APL 26-002](#) MediCal Managed Care Plan Responsibilities for Non-Specialty Mental Health Services (02/02/2026) *Supersedes APL 22-006*
- G. DHCS [APL 26-004](#) Medi-Cal Managed Care Plan Responsibilities for Behavioral Health Data-Sharing (03/16/2026)

VIII. DISTRIBUTION:

- A. Partnership Provider Manual
- B. Partnership Department Directors

IX. PERSON RESPONSIBLE FOR IMPLEMENTING PROCEDURE: Senior Director of Behavioral Health

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X. REVISION DATES:

Medi-Cal

MPBP8005: 06/11/25; 06/10/26

Partnership Advantage (effective Jan. 1, 2028)

N/A

PREVIOUSLY APPLIED TO:

Medi-Cal (ADM52 12/07/21 to 06/11/2025)

12/07/21; ARCHIVED 06/11/25

Medi-Cal (MCUP3127 01/21/2015 to 02/09/2022)

01/21/15; 06/17/15; 04/20/16; 04/19/17; *06/13/18; 06/12/19; 06/10/20; 06/09/21; ARCHIVED 12/07/2021