



<b>Addictive and Mental Disorders Division</b>	
Severe and Disabling Mental Illness, Home and Community Based Services Waiver Manual	
<b>Date effective:</b> July 1, 2020	
<b>Date revised:</b>	
<b>Policy Number:</b> <i>SDMI HCBS 415</i>	<b>Subject:</b> Prior Authorization

**Definition**

- (1) Prior authorization means approval for payment of certain services before they are rendered. There are three different types/levels of prior authorization (See service specific policies for details.):
  - (a) system prior authorization by the case management team (CMT) required for Home and Community Based provider payment processing;
  - (b) prior authorization by the department for services that require department approval prior to being authorized; and
  - (c) utilization management (UM) prior authorization by the Quality Improvement Organization that requires medical necessity review.

**Requirement**

- (1) For UM prior authorization, the case management team (CMT) must request a prior authorization by the department’s designee when a member requires the following services:
  - (a) specialized medical equipment or supplies in excess of \$500 (see SDMI HCBS 385); and
  - (b) environmental accessibility adaptations (see SDMI HCBS 325).
- (2) For prior authorization by the department, the CMT must request prior authorization by the department for the following services:
  - (a) homemaker core (see SDMI HCBS 335); and
  - (b) behavioral intervention assistant (see SDMI HCBS 305).