SUD Fiscal Issues & Updates

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CIBHS Fiscal Leadership Institute
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Who’s in the room?

• **How many are:**
  - New to SUD finance?
  - DMC-ODS opt-in counties?
  - Currently providing ODS services?
  - Part of the Partnership ODS model?
Agenda

1. Whirlwind Tour: Key Resources
2. Recent Fiscal Guidance from DHCS
3. SUD/DMC “Hot Issues”
4. Q & A and Discussion
Whirlwind Tour: Key Resources
ODS resource pages

• DHCS DMC-ODS homepage

• DMC-ODS STCs and CPE protocol
  - http://www.dhcs.ca.gov/provgovpart/Pages/Special-Terms-and-Conditions.aspx

• DMC-ODS webinars
  - http://www.dhcs.ca.gov/provgovpart/Pages/Special-Terms-and-Conditions.aspx
    ✓ Includes presentation on ODS claiming and extensive 3-part fiscal overview

• Fact Sheets, FAQs, and Information Notices
  - http://www.dhcs.ca.gov/provgovpart/Pages/FAQs_Fact_Sheets.aspx
    ✓ Includes FAQs on billing and fiscal considerations

• CIBHS waiver trainings homepage
  - https://www.cibhs.org/dmc-ods-waiver-trainings

• CBHDA committee pages
  - http://www.cbhda.org/member-info/committees/
    ✓ SAPT
    ✓ Medi-Cal Policy
    ✓ Financial Services
DMC Resource Pages

• MHSUDS Information Notices (current & archived)
  ▪ [http://www.dhcs.ca.gov/formsandpubs/Pages/MHSUDS-Information-Notices.aspx](http://www.dhcs.ca.gov/formsandpubs/Pages/MHSUDS-Information-Notices.aspx)

• Drug Medi-Cal Forms
  ▪ [http://www.dhcs.ca.gov/formsandpubs/forms/Pages/DMC-Forms.aspx](http://www.dhcs.ca.gov/formsandpubs/forms/Pages/DMC-Forms.aspx)

• SUD Directories
  ▪ [http://www.dhcs.ca.gov/provgovpart/Pages/SUD-Directories.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/SUD-Directories.aspx)
    ✓ Includes directories of county AOD Administrators and beneficiary access lines

• DMC Provider Billing Manual

• DMC Title 22 Regulations
  ▪ [http://www.dhcs.ca.gov/services/adp/Pages/CA_Code_Regulations.shtml.aspx](http://www.dhcs.ca.gov/services/adp/Pages/CA_Code_Regulations.shtml.aspx)
    ✓ Or try Title 22 Training (2016) or Title 22 FAQs

• SUD Cost Report Manual (Fall 2017)
SABG resource pages

• Substance Abuse Block Grant (SABG) home page
  ▪ [http://www.dhcs.ca.gov/provgovpart/Pages/Substance-Abuse-Block-Grant-(SABG).aspx](http://www.dhcs.ca.gov/provgovpart/Pages/Substance-Abuse-Block-Grant-(SABG).aspx)

• Office of Women’s and Perinatal Services
  ▪ [http://www.dhcs.ca.gov/individuals/Pages/OWPS-SUD.aspx](http://www.dhcs.ca.gov/individuals/Pages/OWPS-SUD.aspx)

• SUD Directories
  ▪ [http://www.dhcs.ca.gov/provgovpart/Pages/SUD-Directories.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/SUD-Directories.aspx)
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• Recent SABG Information Notices
  ▪ **17-047**: SABG Coverage Gaps in DMC and DMC-ODS Services
  ▪ **17-013**: Allocation of Funding for SUD PPFD, FY 2017-18
    ✓ Attachments include allocation summary, funds exchange methodology, and spending periods
  ▪ **16-059**: SABG Room & Board for Transitional Housing, Recovery Residences, & Residential Treatment

• Federal Block Grants pages
  ▪ [https://www.samhsa.gov/grants/block-grants](https://www.samhsa.gov/grants/block-grants)
Recent fiscal guidance from DHCS
Recent fiscal information notices

- **18-023:** DMC-ODS Cost Reporting Requirements for Narcotic Treatment Programs
- 18-018: Fiscal Year 2015-16 Behavioral Health Services Growth Special Account Allocations
- **18-009:** Diversion of County Behavioral Health Subaccount (BHS) Allocations for Drug Medi-Cal Services
- 18-006: Primary Prevention Mid-year Budget for Fiscal Year 2017-18
- 18-005: Drug Medi-Cal Organized Delivery System Case Management for Care Coordination Claiming
- 18-004: Implementation of Assembly Bill AB 395 for Narcotic Treatment Programs
- 18-001: Drug Medi-Cal Organized Delivery System Residential Reimbursement
- 17-066: Short-Doyle Medi-Cal Claim Adjustment Reason Code and Remittance Advice Remark Code Revisions, 2017
- 17-058: Carrier and Provider Recoveries and Other Health Coverage Codes
- 17-045: (*Supersedes 17-002) DMC-ODS Healthcare Common Procedure Coding System and Modifiers
- 17-043: Rejection of Uncertified Drug Medi-Cal Claim Files
- 17-039: (*Supersedes 17-023) Changing Same-Day Billing Requirements for DMC-ODS Counties
- 17-038: Updated Drug Medi-Cal Billing Manual
- 17-036: Drug Medi-Cal County of Responsibility Transition
- 17-034: ICD-10 SUD Remission Codes for the DMC-ODS
- 17-029: MAT Reimbursement rates for FY 2017-18 under the DMC-ODS
- 17-018: DMC Reimbursement rates for FY 2017-18
SUD “Hot Topics”
SUD Hot Topics

• IN 18-009 and Drug Medi-Cal compliance
• Changes to federal block grant (SABG) distribution and oversight
• Cost Reports for NTPs
• DMC-ODS rates revision
• EPSDT and youth SUD services
IN 18-009 and DMC Compliance

• **IN 18-009:** Diversion of County Behavioral Health Subaccount (BHS) Allocations for Drug Medi-Cal Services:

  - If a county *fails to arrange, provide or subcontract* for any of the following DMC covered services, the State may elect to divert county BHS funds to pay for DMC services provided to those residents.
    - ✓ Outpatient drug-free treatment;
    - ✓ Narcotic replacement therapy;
    - ✓ Naltrexone treatment;
    - ✓ Intensive Outpatient Treatment; and
    - ✓ Perinatal Residential Substance Abuse Services (excluding room and board).

• Providing these SUD services outside of the DMC delivery system (i.e., declining to bill DMC) does not fulfill a county’s contractual obligation for administering the DMC program.

• Counties not providing all services were to submit CAPs by June 1. Counties not yet participating in DMC have until September 30 to enter into state-county DMC contracts.
Substance Abuse Block Grant (SABG) Distribution & Oversight Changes

• SABG (formerly SAPT) funding is a payer of last resort and cannot supplant DMC or other state funding of SUD prevention and treatment programs.

• DHCS has begun to implement a statewide corrective action plan (CAP) prompted by an audit of the Department’s management of federal SABG funds.

• Counties should anticipate changes to SABG distribution and oversight processes, including:
  ▪ Annual budgets and quarterly invoicing for SABG funds
  ▪ More frequent fiscal audits (conducted by DHCS A&I team)
  ▪ Updated contract language
  ▪ Revision of SABG allocation methodology
Cost Reports for NTPs

• Consistent with the cost reporting methodology outlined in Attachment AA of the Medi-Cal 2020 Special Terms and Conditions, NTP providers may have to submit a cost report under certain conditions.

• A cost report is **not** required if an NTP bills for State Plan benefits (Methadone Dosing and Counseling) or MAT at the rate established by DHCS, whether in a State Plan or Waiver county.

• If an NTP in a DMC-ODS Waiver County provides Waiver-defined benefits under an **interim rate** in a given fiscal year, a cost report for the entire program is required.
  - These interim rate waiver benefits are case management, physician consultation, and recovery services.

• See [IN 18-023](#): DMC-ODS Cost-Reporting Requirements for NTPs.
DMC-ODS Rates Revision

- Each DMC-ODS County must submit an Annual Fiscal Plan.

- Proposed rates must be developed in conformance with DMC-ODS Waiver Special Terms and Conditions (STCs), DHCS guidance, CPE requirements and are subject to annual reconciliation and settlement.

- Proposed interim rates should be based on the most recently calculated or estimated total county cost and the selected inflation factor. Cost reports and other data sources may be used.

- Payments to fee for service contractors are considered to be actual expenditures according to Waiver STCs.
EPSDT & Youth SUD Services

• Medi-Cal eligible youth under 21 years of age are entitled to medically necessary SUD services under the federal Medicaid Early and Periodic Screening, Diagnosis and Treatment benefit.

• EPSDT SUD services are delivered through the Drug Medi-Cal delivery system.
  ▪ In ODS counties, EPSDT-specific billing codes are not needed (full continuum of services should be available under the ODS).
  ▪ In non-ODS counties, youth may be eligible for some SUD services not covered by California’s Medicaid state plan.
    ✓ See DHCS IN 16-063 on billing for youth residential treatment in state plan counties.

• For a primer on youth SUD treatment in California and related fiscal and policy issues, see:
  ▪ California’s Public Substance Use Disorder Treatment System for Youth: An Overview (Harbage Consulting)
    ✓ Some services covered under Medi-Cal Minor Consent: state-only program not eligible for FFP and distinct from federal EPSDT.
What questions do you have for each other?
Contact Information

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