

# SUD Fiscal Issues & Updates

**Victor Kogler, CIBHS**  
**Paula Wilhelm, CBHDA**

**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?
- Newly contracted/certified to provide DMC services?

# 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**
  - <http://www.dhcs.ca.gov/provgovpart/Pages/Drug-Medi-Cal-Organized-Delivery-System.aspx>
- **DMC-ODS STCs and CPE protocol**
  - <http://www.dhcs.ca.gov/provgovpart/Pages/Special-Terms-and-Conditions.aspx>
- **DMC-ODS webinars**
  - [https://www.dhcs.ca.gov/provgovpart/Pages/DMC\\_ODS\\_Webinars.aspx](https://www.dhcs.ca.gov/provgovpart/Pages/DMC_ODS_Webinars.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](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**
  - <https://www.cbhda.org/members/>
    - ✓ 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>
- **Drug Medi-Cal Forms**
  - <http://www.dhcs.ca.gov/formsandpubs/forms/Pages/DMC-Forms.aspx>
- **SUD Directories**
  - <http://www.dhcs.ca.gov/provgovpart/Pages/SUD-Directories.aspx>
    - ✓ Includes directories of county AOD Administrators and beneficiary access lines
- **DMC Provider Billing Manual**
  - [http://www.dhcs.ca.gov/formsandpubs/Documents/DMC\\_Billing\\_Manual\\_2017-Final.pdf](http://www.dhcs.ca.gov/formsandpubs/Documents/DMC_Billing_Manual_2017-Final.pdf)
- **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) and DHCS Cost Report page**
  - [https://www.cibhs.org/sites/main/files/file-attachments/fmab\\_cost\\_report\\_user\\_manual.pdf](https://www.cibhs.org/sites/main/files/file-attachments/fmab_cost_report_user_manual.pdf)
  - [https://www.dhcs.ca.gov/provgovpart/Pages/Fiscal\\_Management.aspx](https://www.dhcs.ca.gov/provgovpart/Pages/Fiscal_Management.aspx)

# SABG resource pages

- **Substance Abuse Block Grant (SABG) home page**
  - <https://www.dhcs.ca.gov/provgovpart/Pages/Substance-Abuse-Block-Grant-SABG.aspx>
- **Federal Block Grants pages**
  - <https://www.samhsa.gov/grants/block-grants>
- **Resources from recent DHCS webinars**
  - July 26th Q & A: <https://www.dhcs.ca.gov/provgovpart/Documents/Substance%20Use%20Disorder-PPFD/Questions-and-Answers-from-July-26th-Webinar.pdf>
  - October 1st Presentation:  
<https://www.dhcs.ca.gov/provgovpart/Documents/Substance%20Use%20Disorder-PPFD/SABG-Informational-Webinar-October-2018-Final.pdf>
- **Important SABG Information Notices**
  - [17-047](#): SABG Coverage Gaps in DMC and DMC-ODS Services
  - [17-013](#): Allocation of Funding for SUD PPF, 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

**COMING SOON: SABG Manual**

# Recent fiscal guidance from DHCS



# SUD fiscal information notices – Latest guidance and “Greatest Hits”

- **18-055: Amendment of CCR Title 22, Section 51490.1 (DMC billing timeframe)**
- 18-052: Delay in SD Claims Processing for Buprenorphine/Naloxone under the DMC-ODS
- **18-051: DMC-ODS Transition of Care Policy**
- **18-047: RESCIND - Information Notice 18-039 (CalOMS Tx) - Direct Providers to County Contracted Providers**
- **18-037: DMC Reimbursement Rates for FY 2018-19**
- **18-036: MAT Reimbursement Rates for FY 2018-19 under the DMC-ODS**
- 18-030: Processing Split Claims in the Short Doyle Medi-Cal System
- 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**
- 18-005: 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**
- 17-045: (\*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

# Coming Soon:

- **Contracts**

- State-plan (non-ODS) DMC contracts - effective July 1, 2018
- SABG contract amendments – effective January 1, 2019

- **Recent DRAFT Information Notices**

- NTP Cost Reporting Policy
- SABG Room and Board Requirements (Updates previous guidance)
- SABG New Payment & Reporting Requirements
- ODS Residential Length of Stay (Updates previous guidance)
- ODS Provider Selection and Appeals Process (Updates previous guidance)

- **SABG Manual !**

# SUD “Hot Topics”

# SUD Hot Topics

- **Changes to federal block grant (SABG) distribution and oversight**
- **County-of-Residence/County-of-Service**
  - **NTP claims**
  - **Courtesy dosing**
- **Cost Reports for NTPs**
- **IN 18-009 and DMC Compliance**
- **EPSDT and youth SUD services**
- **ODS implementation**

**What would you add to the list?**

# 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.
- Changes to SABG distribution and oversight processes will include:
  - 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
- Many/most counties will need to adjust their SABG spending.

# County-of-Residence/County-of-Service

- 2011 Realignment BHS allocations are now based on DMC claims for county residents rather than those who received services within county lines.
- Counties are fiscally responsible for services for their own residents.
  - see [IN 17-036](#): DMC County-of-Residence Transition
- Only residents of DMC-ODS counties are entitled to DMC-ODS services.
- State-plan (non-ODS) counties may choose to continue to submit claims for out-of-county beneficiaries **for any type of service (claims will be allowed).**
- DMC-ODS counties may choose to continue to submit claims for out-of-county beneficiaries for **two types of services only: 1) NTP and 2) EPSDT.**
- Updated DMC boilerplates will include language to address billing for NTP courtesy dosing.

# Cost Reports for NTPs

- Currently, 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.
- Historically, a cost report has not been 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.
- Pending DHCS guidance now states that full cost reports will be required for all NTPs unless they meet one or more of the following exceptions:
  - An NTP provider that exclusively bills the State or county for services provided to individuals subject to PC Section 1210.1 (probation);
  - An NTP provider that exclusively bills the State or county for services provided to individuals subject to PC Section 3063.1 (parole); and
  - An NTP provider that exclusively bills the State or county for services provided to individuals subject to WIC Section 14021.52 (indigent patients who are not eligible for Medi-Cal.)

# 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 that were not yet participating in DMC had until September 30 to enter into state-county DMC contracts.



# 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

**Victor Kogler, Vice President, CIBHS**

**[vkogler@cibhs.org](mailto:vkogler@cibhs.org)**

**Paula Wilhelm, Senior Policy Analyst**

**[pwilhelm@cbhda.org](mailto:pwilhelm@cbhda.org)**