

# 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**
  - <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**
  - <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](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>
- **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)**
  - [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)

# 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>
- **SUD Directories**
  - <http://www.dhcs.ca.gov/provgovpart/Pages/SUD-Directories.aspx>
    - ✓ Includes directories of county AOD Administrators and beneficiary access lines
- **Recent 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
- **Federal Block Grants pages**
  - <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
- 17-063: 2018 ICD 10 Included Code Sets and System Edit for Short Doyle Medi-Cal 2 Billing
- 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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