County of Sacramento **Department of Health Services** **Division of Behavioral Health Services** **Policy and Procedure**	Policy Issuer (Unit/Program)	**SUPT**
	Policy Number	**SUPT-03-01**
	Effective Date	**04/27/21**
	Revision Date	**01/19/23**
Title: Drug Medi-Cal Organized Delivery System Overview	Functional Area: **Treatment**	
Approved By: **Signed version available upon request** **Lori Miller, LCSW** Division Manager, Substance Use Prevention and Treatment Services		

BACKGROUND / CONTEXT:

The Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver is a pilot program that began in 2015 to test a new paradigm for the organized delivery of health care services for Medicaid eligible individuals with substance use disorders (SUD). The DMC-ODS Waiver provides a continuum of care modeled after the American Society of Addiction Medicine (ASAM) Criteria for SUD treatment services, enables more local control and accountability, provides greater administrative oversight, creates utilization controls to improve care and efficient use of resources, implements evidenced-based SUD treatment practices, and coordinates with other systems of care. This approach provides clients with access to the care and system interaction needed in order to achieve sustainable recovery. The goal of the DMC-ODS Waiver implemented by California counties is to demonstrate how organized SUD care increases the success of client recovery while decreasing other system health care costs.

California counties that elected to opt in to the DMC-ODS Waiver were required to submit and have a DHCS-approved implementation plan. Sacramento County's implementation plan was approved by DHCS and began providing DMC-ODS services on July 1, 2019.

In accordance with Practice Guidelines outlined in Title 42 Code of Federal Regulations (CFR) and the Intergovernmental Agreement with the State of California Department of Health Care Services (DHCS), Substance Use Prevention and Treatment (SUPT) Services develops and adopts practice guidelines to ensure SUD treatment services are conveyed and implemented in congruence with Federal and State mandates.

DEFINITIONS:

American Society of Addiction Medicine (ASAM) Criteria:
The nation's most widely used and comprehensive set of guidelines for placement, continued stay, transfer, and discharge of patients with addiction and co-occurring conditions. The ASAM® Criteria includes six dimensions used for assessment of an SUD and service levels of care from early intervention through medically managed intensive inpatient services. The use of ASAM Criteria is a requirement to participate in the DMC-ODS Waiver.

DMC-ODS Member Handbook
A handbook provided to beneficiaries to enhance their understanding of the DMC-ODS benefits available and how to access services.

DMC-ODS Treatment Practice Guidelines and Provider Manual
Written guidelines, in compliance with DMC-ODS treatment requirements and standards, for all Sacramento County DMC-certified subcontracted providers.

Evidence-Based Practices (EBPs): Interventions that have been shown to be effective and are supported by evidence. In the provision of DMC-ODS Waiver services, SUPT contracted service providers utilize EBPs that have undergone stringent evaluation and meet clinical standards.

Licensed Practitioner of the Health Arts (LPHA): Professional staff who are licensed, registered, certified, or recognized under California State scope of practice statutes. Professional staff shall provide services within their individual scope of practice and receive supervision required under their scope of practice laws. Non-Physician LPHAs include: Nurse Practitioners, Physician Assistants, Registered Nurses, Registered Pharmacists, Licensed Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW), Licensed Professional Clinical Counselor (LPCC), and Licensed Marriage and Family Therapist (LMFT) and licensed-eligible practitioners working under the supervision of licensed clinicians.

Level of Care: The appropriate DMC-ODS service level (outpatient, intensive outpatient, withdrawal management, residential, opioid treatment program) to address the beneficiary's presenting condition as determined by medical necessity.

Medical Necessity: The criteria that identify service need based on inclusion of specific signs, symptoms, and conditions and proposed treatment associated with SUDs. Determination of medical necessity requires inclusion of a covered diagnosis; an established level of impairment; an expectation that SUD treatment is necessary to address the condition; and the condition would not be responsive to physical health care based treatment. Medical necessity is defined by the California Code of Regulations and is contained in the DHCS Behavioral Health

Information Notice (BHIN) No: 21-071 delineating requirements for county DMC-ODS services.

Substance Use Disorder (SUD): As defined by the Diagnostic and Statistical Manual of Mental Disorders (DSM), Fifth Edition, an SUD involves patterns of symptoms caused by using a substance (alcohol or other drugs) that an individual continues taking despite its negative effects.

Telehealth Services: Services provided through synchronous audio and video or by telephone (synchronous audio-only) by an LPHA or registered or certified counselor and may be done in the community or the home.

PURPOSE:
The purpose of this policy is to provide an overview of DMC-ODS Waiver services (henceforth DMC-ODS Plan) provided by Sacramento County Substance Use Prevention and Treatment (SUPT) Services.

DETAILS:
The table below includes new services and requirements (in blue font) that were implemented as part of the DMC-ODS Waiver effective July 1, 2019.

Services
Early Intervention
Outpatient Services
Residential Treatment
Medication-Assisted Treatment (MAT)
Withdrawal Management
Additional Medication-Assisted Treatment (MAT)
Recovery Services
Case Management
Physician Consultation

Requirements
Coordination with Criminal Justice and Hospitals
Increased Quality Assurance

Prior to the provision of DMC-ODS Waiver services, existing SUPT sub-contracted service providers were required to become DMC-ODS certified by DHCS in order to provide DMC-ODS services and be reimbursed at DMC-ODS rates.

Effective July 2022, the DMC-ODS Plan is required to align policies and service provisions with the California Advancing and Innovating Medi-Cal (CalAIM) initiative. The goal of CalAIM is to improve the quality of life and health outcomes of our population by implementing broad delivery system, program and payment reform across the Medi-Cal program. DHCS conducted broad stakeholder engagement to elicit county, provider and beneficiary feedback on how to improve Medi-Cal programs, including the DMC-ODS. As a result of that input, DHCS

proposed to the Centers for Medicare and Medicaid Services (CMS) a set of updates to DMC-ODS, some of which CMS approved for the January – December 2021 extension period (see Behavioral Health Information Notices (BHINs) 21-019, 21-020, 21-021, and 21-024).

The following includes DMC-ODS policy and services as required through the CalAIM initiative.

In addition, the following policy guidance updates and replaces the Section 1115 Standard Terms and Conditions (STCs) that were used to describe the DMC-ODS program for the years 2015-2021. In accordance with California Welfare and Institution (W&I) § 14184.102(d), until county contract amendments are executed, DMC-ODS counties shall adhere to the terms of this Information Notice where current contracts are silent or in conflict with the terms of this Information Notice.

Responsibilities of the DMC-ODS Plan for DMC-ODS Benefits

The responsibilities of the DMC-ODS Plan for the DMC-ODS benefit shall be included in the intergovernmental agreement with DHCS and shall require the DMC-ODS Plan to comply with the following.

Selective Provider Contracting Requirements for DMC-ODS

(This section supersedes MHSUDS IN 19-018)

SUPT will select the DMC-certified providers with whom to contract with to establish the DMC-ODS provider networks. DMC-certified providers that do not receive a DMC-ODS contract with the County cannot receive a direct contract with the State to provide services to residents of DMC-ODS Counties.

Contract Denial and Appeal Process

SUPT shall serve providers that apply to be a contract provider but are not selected a written decision including the basis for the denial. Any solicitation document utilized by SUPT for the selection of DMC providers must include a protest provision. SUPT shall have a protest procedure for providers that are not awarded a contract. The protest procedure shall include requirements outlined in the State/County contract. Providers that submit a bid to be a contract provider, but are not selected, must exhaust the county's protest procedure if a provider wishes to challenge the denial to DHCS. If SUPT does not render a decision within 30 calendar days after the protest was filed, the protest shall be deemed denied and the provider may appeal the failure to DHCS.

Access to Services

To receive services through the DMC-ODS, a beneficiary must be enrolled in Medi-Cal, reside in a participating county, and meet the criteria for DMC-ODS services established below in the "DMC-ODS Program Criteria for Services" subsection.

Services shall be provided in the least restrictive setting, and shall be consistent with the goals of recovery and resiliency, learning and development, and enhanced self-sufficiency.

The DMC-ODS Plan shall provide or arrange for all DMC-ODS services and all providers shall be Drug Medi-Cal certified. The DMC-ODS Plan may also contract with a Managed Care Plan (MCP) to provide services and may request flexibility in delivery system design subject to DHCS approval.

In accordance with the Early Periodic Screening, Diagnostic and Treatment (EPSDT) mandate under Section 1905(r) of the Social Security Act, all Counties, irrespective of their participation in the DMC-ODS program, shall ensure that all beneficiaries under age 21 receive all applicable SUD services needed to correct or ameliorate health conditions that are coverable under Section 1905(a) of the Social Security Act. Nothing in the DMC-ODS limits or modifies the scope of the EPSDT mandate. The DMC-ODS Plan is responsible for the provision of SUD services pursuant to the EPSDT mandate. The DMC-ODS Plan shall refer to forthcoming DHCS guidance regarding Medi-Cal SUD treatment services for beneficiaries under age 21 for further compliance with EPSDT requirements.

SUPT must ensure that all required services covered under the DMC-ODS Plan are available and accessible to enrollees of the DMC-ODS in accordance with the applicable state and federal time and distance standards for network providers developed by the DHCS, including those set forth in 42 CFR 438.68, and W&I Section 14197 and any Information Notices issued pursuant to those requirements.

Access to medically necessary services, including all Food and Drug Administration (FDA)-approved medications for Opioid Use Disorder (OUD), cannot be denied for beneficiaries meeting criteria for DMC-ODS services nor shall beneficiaries be put on wait lists. DMC-ODS beneficiaries shall receive services from DMC-certified providers. All DMC-ODS services shall be furnished with reasonable promptness in accordance with federal Medicaid requirements and as specified in the State/DMC-ODS County Intergovernmental Agreement. If the DMC-ODS Plan network is unable to provide medically necessary covered services, the DMC-ODS Plan must adequately and timely cover these services out-of-network for as long as the DMC-ODS Plan's network is unable to provide them.

Indian Health Care Providers

- American Indian and Alaska Native individuals who are eligible for Medicaid and reside in counties that have opted in to the DMC-ODS can also receive DMC-ODS services through Indian Health Care Providers (IHCPs).
- IHCPs include:
    - Indian Health Service (IHS) facilities
    - Tribal 638 Providers - Tribal 638 providers enrolled in Medi-Cal as a Tribal FQHC must appear on the "List of Tribal Federally Qualified Health Center Providers"
    - Urban Indian Organizations (UIO)
- All American Indian and Alaska Native (AI/AN) Medi-Cal beneficiaries whose county of responsibility is a DMC-ODS county may choose to receive DMC-ODS services at any DMC-certified IHCP, whether or not the IHCP has a current contract with the beneficiary's county of responsibility and whether or not the IHCP is located in the beneficiary's county of responsibility.
- DMC-ODS counties must reimburse DMC-certified IHCPs for the provision of these services to AI/AN Medi-Cal beneficiaries, even if the DMC-ODS county does not have a contract with the IHCP.
- DMC-ODS counties are not obligated to pay for services provided to non-AI/AN beneficiaries by IHCPs that are not contracted with the DMC-ODS county.
- In order to receive reimbursement from a county or the state for the provision of DMC-ODS services (whether or not the IHCP is contracted with the county), an IHCP must be enrolled as a DMC provider and certified by DHCS to provide those services.

DMC-ODS Counties must adhere to all 42 CFR 438.14 requirements.

DMC-ODS County of Responsibility

The DMC-ODS Plan is responsible for ensuring that its residents with SUD receive appropriate covered treatment services. If a beneficiary is able to access all needed covered services, then the DMC-ODS Plan is not obligated to subcontract with additional providers to provide more choices for that individual beneficiary. However, in accordance with 42 CFR §438.206(b)(4), if the DMC-ODS Plan provider network is unable to provide needed services to a particular beneficiary, the DMC-ODS Plan shall adequately and timely cover these services out-of-network for as long as the DMC-ODS Plan network is unable to provide them.

As outlined in BHIN #MHSUDS 18-051, the DMC-ODS county must allow the beneficiary to continue receiving covered DMC-ODS service(s) with an out-of-network provider when their assessment determines that, in the absence of

continued services, the beneficiary would suffer serious detriment to their health or be at risk of hospitalization or institutionalization.

Co-Occurring Substance Use Disorder

Clinically appropriate and covered Drug Medi-Cal (DMC) services delivered by DMC providers and DMC-ODS services delivered by DMC-ODS providers are covered by DMC counties and DMC-ODS counties, respectively, whether or not the beneficiary has a co-occurring mental health condition.

Beneficiary Access Number

The DMC-ODS Plan shall have a 24/7 toll free number for both prospective and current beneficiaries to call to access DMC-ODS services. Oral interpretation services and Text Telephone Relay or Telecommunications Relay Service (TTY/TRS) services must be made available for beneficiaries, as needed. The System of Care (business hours) and Mental Health Treatment Center (after hours) staff are responsible for answering this line. The toll-free number is (888) 881-4881.

Authorization Process

Authorization Policy for Residential Levels of Care: The DMC-ODS Plan shall provide prior authorization for residential treatment (excluding withdrawal management services) within 24 hours of the prior authorization request being submitted by the provider. The DMC-ODS Plan will review the Diagnostic and Statistical Manual of Mental Disorders (DSM) and ASAM Criteria to ensure that the beneficiary meets the requirements for the service. System of Care staff will provide the authorization for residential services.

Authorization Policy for Non-Residential Levels of Care: The DMC-ODS Plan may not impose prior authorization or centralized DMC-ODS County-administered ASAM full assessments prior to provision of non-residential assessment and treatment services, including withdrawal management services. Brief ASAM-based screening tools may be used when beneficiaries call the DMC-ODS Plan's beneficiary access number to determine the appropriate location for treatment.

DMC-ODS Program Criteria for Services

The DMC-ODS Plan is responsible for providing DMC-ODS services to Sacramento County Medi-Cal beneficiaries consistent with the following assessment, access, and medical necessity and level of care determination criteria.

Initial Assessment and Services Provided During the Assessment Process
Covered and clinically appropriate DMC-ODS services (except for residential treatment services; 10 days) are Medi-Cal reimbursable for up to 30 days following the first visit with a Licensed Practitioner of the Healing Arts (LPHA) or registered/certified counselor, whether or not a DSM diagnosis for Substance-Related and Addictive Disorders is established, or up to 60 days if the beneficiary is under age 21, or if a provider documents that the client is experiencing homelessness and therefore requires additional time to complete the assessment. If a beneficiary withdraws from treatment prior to establishing a DSM diagnosis for Substance-Related and Addictive Disorders, and later returns, the 30-day time period starts over.

The initial assessment shall be performed face-to-face, by telehealth ("telehealth" throughout this document is defined as synchronous audio and video) or by telephone (synchronous audio-only) by an LPHA or registered or certified counselor and may be done in the community or the home. If the assessment of the beneficiary is completed by a registered or certified counselor, then the LPHA shall evaluate that assessment with the counselor and the LPHA shall make the initial diagnosis. The consultation between the LPHA and the registered or certified counselor can be conducted in person, by video conferencing, or by telephone.

- The assessment shall include a typed or legibly printed name, signature of the service provider and date of signature.
- The assessment shall include the provider's determination of medical necessity and recommendation for services. The problem list and progress note requirements identified below shall support the medical necessity of each service provided.
- Assessments shall be updated as clinically appropriate when the beneficiary's condition changes.

The SUPT approved SUD Assessment based on the six ASAM dimensions shall be used by all DMC-ODS Plan network providers.

Medical Necessity and Level of Care Determination

This section establishes Sacramento County SUD medical necessity and level of care determination parameters for the following populations:

- Adult Beneficiaries, ages 21 and older
- Child/Youth Beneficiaries, ages 0-21

The intent is to provide operational guidance for access to services for different levels of care and the conditions that determine medical necessity in accordance with W&I Code section 14059.5 and in accordance with DHCS BHIN-21-071.

Medical Necessity and DMC-ODS Access Criteria

Pursuant to W&I Code section 14184.402(a), all medical necessity determinations for covered SUD treatment services provided to Drug Medi-Cal (DMC) beneficiaries shall be made in accordance with W&I Code section 14059.5 and in accordance with the requirements set forth below.

Initial Assessment and Services Provided During the Assessment Process

Covered and clinically appropriate DMC-ODS services are reimbursable for up to 30 days following the first visit with a LPHA, as defined in the California's Medicaid State Plan, or registered/certified counselor, whether or not a DSM diagnosis for Substance-Related and Addictive Disorders is established, or up to 60 days for beneficiaries under age 21, or if a provider documents that the beneficiary is experiencing homelessness and therefore requires additional time to complete the assessment. If a beneficiary withdraws from treatment prior to establishing a DSM diagnosis for Substance-Related and Addictive Disorders, and later returns, the 30-day or 60-day time period starts over.

The DMC-ODS initial assessment shall be performed by an LPHA or registered or certified counselor. The assessment and services provided during the assessment

process may be conducted by System of Care staff or contracted DMC-ODS network provider staff in the community or the home using the following methods:

1. Face-to-face
2. Telehealth ("telehealth" throughout this document is defined as synchronous audio and video)
3. Telephone (synchronous audio-only)

If the assessment of the beneficiary is completed by a registered or certified counselor, then the LPHA shall evaluate that assessment with the counselor and the LPHA shall make and document the initial diagnosis. The consultation between the LPHA and the registered or certified counselor can be conducted in person, by telehealth, or by telephone.

Narcotic Treatment Programs (NTPs) conduct a history and physical exam by an LPHA pursuant to state and federal regulations. This history and physical exam of a NTP beneficiary conducted at admission qualifies for the purpose of determining medical necessity under the DMC-ODS.

DMC-ODS Access Criteria for Services After Assessment

a. *Beneficiaries 21 years and older:* To qualify for DMC-ODS services after the initial assessment process, beneficiaries 21 years of age and older must meet one of the following criteria:
    i. Have at least one diagnosis from the DSM for Substance-Related and Addictive Disorders, with the exception of Tobacco-Related Disorders and Non-Substance-Related Disorders, OR
    ii. Have had at least one diagnosis from the DSM for Substance- Related and Addictive Disorders, with the exception of Tobacco-Related Disorders and Non-Substance-Related Disorders, prior to being incarcerated or during incarceration, determined by substance use history.
b. *Beneficiaries under the age of 21*: Covered services provided under DMC-ODS shall include all medically necessary SUPT services for individuals under 21 years of age as required pursuant to Section 1396d(r) of Title 42 of the United States Code. Federal EPSDT statutes and regulations require States to furnish all Medicaid (Medi-Cal) -coverable, appropriate, and medically necessary services needed to correct and ameliorate health conditions, regardless of whether those services are covered under Medi-Cal. Consistent with federal guidance, services need not be curative or completely restorative to ameliorate a mental

health condition, including substance misuse and SUDs. Services that sustain, support, improve, or make more tolerable substance misuse or an SUD are considered to ameliorate the condition and are thus covered as EPSDT services.

Additional Coverage Requirements and Clarifications

Consistent with W&I Code 14184.402(f), clinically appropriate and covered SUD prevention, screening, assessment, and treatment services are covered and reimbursable Medi-Cal services even when:

1) Services are provided prior to determination of a diagnosis or prior to determination of whether DMC criteria are met, as described above;
2) The prevention, screening, assessment, treatment, or recovery services were not included in an individual treatment plan; or
3) The beneficiary has a co-occurring mental health condition.

Regarding (1), DMC-ODS services are reimbursable during the assessment process as described above in the "*Initial Assessment and Services Provided During the Assessment Process"* subsection. In addition, clinically appropriate and covered DMC services provided during the assessment process are covered and reimbursable even if the assessment later determines that the beneficiary does **not** meet criteria for DMC-ODS services. These changes do not eliminate the requirement that all Medi-Cal claims include a Centers for Medicare & Medicaid Services (CMS) approved International Classification of Diseases (ICD)-10 diagnosis code. In cases where services are provided due to a suspected SUD that has not yet been diagnosed, options are available in the CMS approved ICD-10 diagnosis code list. For example, these include codes for "Other specified" and "Unspecified" disorders," or "Factors influencing health status and contact with health services" (i.e., Z codes).

Regarding (2), Forthcoming guidance from DHCS will provide clarification regarding new policies and criteria for DMC-ODS documentation standards and requirements. The existing documentation standards and requirements remain in effect until replaced.

Regarding (3), clinically appropriate and covered DMC-ODS services delivered by Sacramento County SUPT providers are covered and reimbursable Medi-Cal services whether or not the beneficiary has a co- occurring mental health disorder. Reimbursement for covered DMC-ODS services provided to a beneficiary who meets DMC-ODS criteria and has a co-occurring mental health condition shall not be denied as long as DMC-ODS criteria and requirements are met.

Level of Care Determination

In addition to being medically necessary, all SUD treatment services provided to a Sacramento County beneficiary must be clinically appropriate to address that beneficiary's presenting condition.

In accordance with W&I Code 14184.402(e), providers must use the criteria adopted by the American Society of Addiction Medicine (ASAM) to determine the appropriate level of SUD treatment service for DMC-ODS beneficiaries. However, a full assessment utilizing the ASAM criteria is not required for a Sacramento County beneficiary to begin receiving covered and reimbursable SUD treatment services; an abbreviated ASAM screening tool may be used for initial screening, referral, and access to clinically appropriate services. As mentioned in the "*Initial Assessment and Services Provided During the Assessment Process"* subsection:

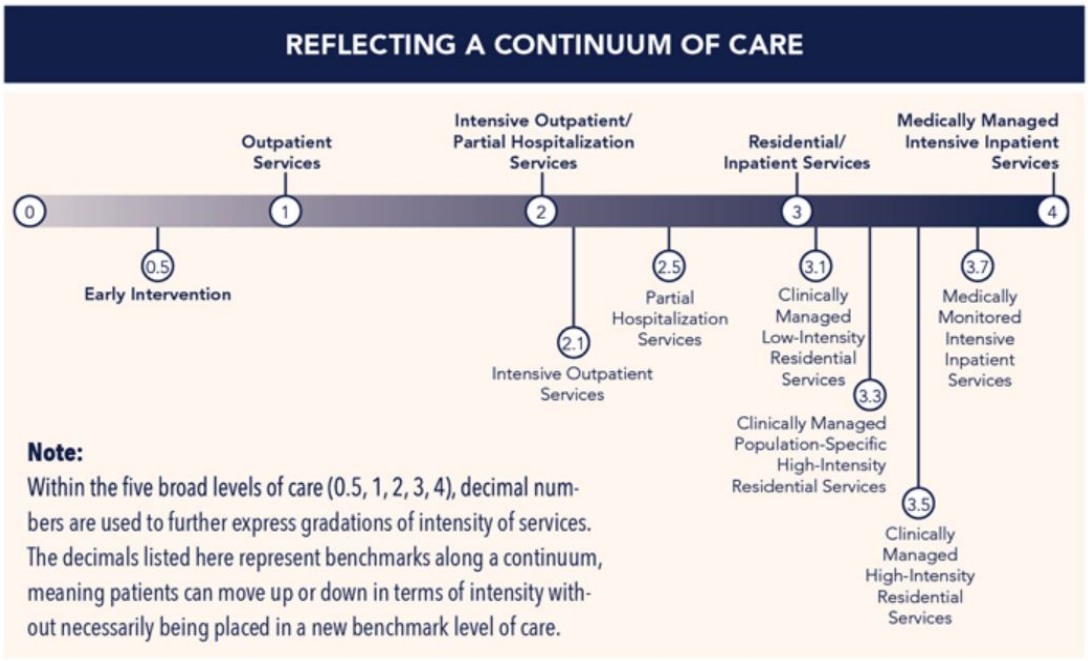
- For DMC-ODS beneficiaries 21 and over, a full assessment using the ASAM Criteria shall be completed within 30 days of the beneficiary's first visit with a LPHA or registered/certified counselor.
- For DMC-ODS beneficiaries under 21, or for adults experiencing homelessness, a full assessment using the ASAM criteria shall be completed within 60 days of the DMC-ODS beneficiary's first visit with an LPHA or registered/certified counselor.
- If a DMC-ODS beneficiary withdraws from treatment prior to completing the ASAM assessment and later returns, the time period starts over.

ASAM Background Information

As background, The ASAM Criteria©, formerly known as the ASAM patient placement criteria, is the result of a collaboration that began in the 1980s to define one national set of criteria for providing outcome-oriented and results-based care in the treatment of SUDs. The ASAM Criteria© relies on a comprehensive set of guidelines for level of care placement, continued stay, and transfer/discharge of patients with addiction, including those with co-occurring conditions. The ASAM Criteria© uses a multidimensional patient assessment to direct medical management and the structure, safety, security, and intensity of treatment services. Detailed information about the ASAM Criteria© is available on the ASAM website.

Covered DMC-ODS Services

DMC-ODS services include the following comprehensive continuum of evidence-based SUD services.



DMC-ODS services must be recommended by a Licensed Practitioner of the Healing Arts, within the scope of their practice. DMC-ODS services are provided by DMC-certified providers and are based on medical necessity.

- **Screening, Brief Intervention, Referral to Treatment and Early Intervention Services (ASAM Level of Care 0.5)**
  Alcohol and Drug Screening, Assessment, Brief Interventions and Referral to Treatment (SABIRT) (commonly known as Screening, Brief Intervention, and Referral to Treatment, or SBIRT) is not a DMC-ODS benefit. It is a benefit in Medi-Cal Fee-for-Service and Medi-Cal Managed Care Plan (MCP) delivery system for beneficiaries aged 11 years and older.

  Early intervention services are covered DMC-ODS services for beneficiaries under the age of 21. Any beneficiary under the age of 21 who is screened and determined to be at risk of developing an SUD may receive any service component covered under the outpatient level of care as early intervention services. An SUD diagnosis is not required for early intervention services. As noted above, this does not eliminate the requirement that all Medi-Cal claims, including DMC-ODS claims, include a CMS approved ICD-10 diagnosis code.5 In cases where services are provided due to a suspected SUD that has not yet been diagnosed or due to trauma as noted above, options are available in the CMS approved ICD-10 diagnosis code list. For example, these include codes for "Other specified" and "Unspecified" disorders," or "Factors influencing health

status and contact with health services". Early intervention services are provided under the outpatient treatment modality and must be available as needed based on individual clinical need, even if the beneficiary under age 21 is not participating in the full array of outpatient treatment services.

A full assessment utilizing the ASAM criteria is not required for a DMC beneficiary under the age of 21 to receive early intervention services; an abbreviated ASAM screening tool may be used. If the beneficiary under 21 meets diagnostic criteria for SUD, a full ASAM assessment shall be performed and the beneficiary shall receive a referral to the appropriate level of care indicated by the assessment.

Early intervention services may be delivered in a wide variety of settings, and can be provided in person, by telehealth, or by telephone.

Nothing in this section limits or modifies the scope of the EPSDT mandate.

- **Outpatient Services (ASAM Level of Care 1.0)**
  Outpatient treatment services are provided to beneficiaries when medically necessary (offering up to nine hours a week for adults, and six hours a week for adolescents). Services may exceed the maximum based on individual medical necessity. Outpatient Treatment Services may be provided in person, by telehealth, or by telephone. Providers are required to either offer medications for addiction treatment (MAT, also known as medication-assisted treatment) directly, or have effective referral mechanisms in place to the most clinically appropriate MAT services (defined as facilitating access to MAT off-site for beneficiaries while they are receiving outpatient treatment services if not provided on-site. Providing a beneficiary the contact information for a treatment program is insufficient). Outpatient treatment services (also known as Outpatient Drug Free or ODF) include the following service components:

  - Assessment
  - Care Coordination
  - Counseling (individual and group)
  - Family Therapy (LPHA only)
  - Medication Services
  - MAT for Opioid Use Disorder (OUD)
  - MAT for Alcohol Use Disorder (AUD) and other non-opioid SUDs
  - Patient Education
  - Recovery Services
  - SUD Crisis Intervention Services

- **Intensive Outpatient Services (ASAM Level of Care 2.1)**
  Intensive Outpatient Treatment Services are provided to beneficiaries when medically necessary in a structured programming environment (offering a minimum of nine hours with a maximum of 19 hours a week for adults, and a minimum of six hours with a maximum of 19 hours a week for adolescents). Services may exceed the maximum based on individual medical necessity. Intensive Outpatient Treatment Services may be provided in person, by telehealth, or by telephone. Providers must offer MAT directly or have effective referral mechanisms in place to the most clinically appropriate MAT services (defined as facilitating access to MAT off-site for beneficiaries while they are receiving intensive outpatient treatment services if not provided on-site. Providing a beneficiary the contact information for a treatment program is insufficient).

  Intensive Outpatient Treatment Services include the following service components:

  - Assessment
  - Care Coordination
  - Counseling (individual and group)
  - Family Therapy (LPHA only)
  - Medication Services
  - MAT for OUD
  - MAT for AUD and other non-opioid SUDs
  - Patient Education
  - Recovery Services
  - SUD Crisis Intervention Services

- **Residential Treatment (ASAM Levels of Care 3.1 and 3.5)**
  Residential Treatment Services are delivered to beneficiaries when medically necessary in a short-term residential program. The Sacramento County DMC-ODS Plan provides the following two levels:

  - Level 3.1 - Clinically Managed Low-Intensity Residential Services
  - Level 3.5 - Clinically Managed High-Intensity Residential Services

  All Residential Treatment services provided to a client while in a residential treatment facility may be provided in person, by telehealth, or telephone. Telehealth and telephone services, when provided, shall supplement, not replace, the in-person services and the in-person treatment milieu; most services in a residential facility shall be in-person. A client receiving residential services pursuant to DMC-ODS, regardless of the length of stay, is a “short-

term resident" of the residential facility in which they are receiving the services. These services are intended to be individualized to treat the functional deficits identified in the ASAM Criteria. Each client shall live on the premises and shall be supported in their efforts to restore, maintain, and apply interpersonal and independent living skills and access community support systems. Providers are required to either offer MAT directly, or have effective referral mechanisms in place to clinically appropriate MAT services (defined as facilitating access to MAT off-site for beneficiaries while they are receiving residential treatment services if not provided on-site. Providing a beneficiary the contact information for a treatment program is insufficient).

Residential Treatment services for adults are provided by DMC-certified providers who must be licensed and enrolled in accordance with all applicable state and federal laws and regulations. This includes residential facilities licensed by DHCS, residential facilities licensed by the Department of Social Services, Chemical Dependency Recovery Hospitals (CDRHs) licensed by the Department of Public Health (DPH), and Freestanding Acute Psychiatric Hospitals (FAPHs) licensed by DPH.

All facilities delivering Residential Treatment services under DMC-ODS must also be designated as capable of delivering care consistent with the ASAM Criteria.

Residential treatment facilities licensed by DHCS offering ASAM levels 3.1, 3.3, 3.5, and 3.2-WM must also have a DHCS Level of Care (LOC) Designation and/or an ASAM LOC Certification that indicates that the program is capable of delivering care consistent with the ASAM Criteria.

In order to participate in the DMC-ODS program and offer ASAM Levels of Care 3.1, 3.3, or 3.5, residential providers licensed by a state agency other than DHCS must be DMC-certified. In addition, facilities licensed by a state agency other than DHCS must have an ASAM LOC Certification for each level of care provided by the facility under the DMC-ODS program by January 1, 2024. The DMC-ODS Plan will be responsible for ensuring and verifying that DMC-ODS providers delivering ASAM Levels of care 3.1, 3.3 or 3.5 obtain an ASAM LOC Certification for each level of care provided effective January 1, 2024.

Residential Treatment services can be provided in facilities of any size. The statewide goal for the average length of stay for residential treatment services is 30 days. The goal for a statewide average length of stay for residential services of 30 days is not a quantitative treatment limitation or hard "cap" on individual stays; lengths of stay in residential treatment settings shall be

determined by individualized clinical need. The DMC-ODS Plan shall ensure that beneficiaries receiving residential treatment are transitioned to another level of care when clinically appropriate based on treatment progress. The DMC-ODS Plan shall adhere to the length of stay monitoring requirements set forth by DHCS and length of stay performance measures established by DHCS and reported by the external quality review organization.

Residential Treatment Services include the following services:

- Assessment
- Care Coordination
- Counseling (individual and group)
- Family Therapy (LPHA only)
- Medication Services
- MAT for OUD
- MAT for AUD and other non-opioid SUDs
- Patient Education
- Recovery Services
- SUD Crisis Intervention Services

SUPT will be responsible for ensuring and verifying that DMC-ODS residential treatment providers licensed by a state agency other than DHCS obtain an ASAM LOC Certification effective January 1, 2024. By January 1, 2024, all providers delivering Residential Treatment services Levels 3.1, 3.3, or 3.5 billed to DMC-ODS must have either a DHCS LOC Designation and/or an ASAM LOC Certification.

- **Withdrawal Management Services (ASAM Level of Care 3.2)**
  Withdrawal Management Services are provided to beneficiaries experiencing withdrawal in the following outpatient and residential settings:

  Level 3.2 WM: Clinically managed residential withdrawal management (24-hour support for moderate withdrawal symptoms that are not manageable in outpatient setting).

  Withdrawal Management Services include the following service components:

  - Assessment
  - Care Coordination
  - Medication Services
  - MAT for OUD
  - MAT for AUD and other non-opioid SUDs

- Observation
- Recovery Services

Withdrawal Management Services may be provided in an outpatient or residential setting. If beneficiary is receiving Withdrawal Management in a residential setting, the beneficiary shall reside at the facility. All beneficiaries receiving Withdrawal Management services, regardless in which type of setting, shall be monitored during the detoxification process. Providers are required to either offer MAT directly, or have effective referral mechanisms to the most clinically appropriate MAT services in place (defined as facilitating access to MAT off-site for beneficiaries while they are receiving withdrawal management services if not provided on-site. Providing a beneficiary the contact information for a treatment program is insufficient).

Withdrawal Management services are urgent and provided on a short-term basis. When provided as part of withdrawal management services, service activities, such as the assessment (ASAM Dimension 1). This may include the withdrawal risk assessment and/or health questionnaire, focusing on the stabilization and management of psychological and physiological symptoms associated with withdrawal, engagement in care and effective transitions to a level of care where comprehensive treatment services are provided. A full ASAM Criteria assessment shall not be required as a condition of admission to a facility providing Withdrawal Management. To facilitate an appropriate care transition, a full ASAM assessment, brief screening, or other tool to support referral to additional services is appropriate. If it has not already been completed in relation to the Withdrawal Management episode, the full ASAM Criteria assessment shall be completed within 30 days of the beneficiary's first visit with an LPHA or registered/certified counselor for non-Withdrawal Management services (or 60 days for beneficiaries under 21, or beneficiaries experiencing homelessness), as described above.

Residential treatment facilities licensed by DHCS offering ASAM level 3.2-Withdrawal Management must also have a DHCS Level of Care (LOC) Designation and/or an ASAM LOC Certification that indicates that the program is capable of delivering care consistent with the ASAM Criteria.

- **Opioid Treatment Program**
  (This section of the information notice supersedes MHSUDS IN 16-048)

  Narcotic Treatment Program (NTP), also described in the ASAM criteria as an Opioid Treatment Program (OTP), is an outpatient program that provides FDA-approved medications and biological products to treat SUDs when ordered by a physician as medically necessary. NTPs are required to administer, dispense, or

prescribe medications to patients covered under the DMC-ODS formulary including methadone, buprenorphine (transmucosal and long-acting injectable), naltrexone (oral and long-acting injectable), disulfiram, and naloxone. If the NTP is unable to directly administer or dispense medically necessary medications covered under the DMC-ODS formulary, the NTP must prescribe the medication for dispensing at a pharmacy or refer the beneficiary to a provider capable of dispensing the medication. The NTP shall offer the beneficiary a minimum of fifty minutes of counseling services per calendar month. NTPs shall comply with all federal and state NTP licensing requirements. If the NTP cannot comply with all federal and state NTP requirements, then the NTP must assist the beneficiary in choosing another MAT provider, ensure continuity of care, and facilitate a warm hand-off to ensure engagement. NTP services are provided in DHCS-licensed NTP facilities pursuant to the California Code of Regulations, Title 9, Chapter 4, Division 4, and title 42 of the CFR. Counseling services provided in the NTP modality can be provided in person, by telehealth, or by telephone. However, the medical evaluation for methadone treatment (which consists of a medical history, laboratory tests, and a physical exam) must be conducted in-person.

NTP Services include the following service components:

- Assessment
- Care Coordination
- Counseling (individual and group)
- Family Therapy (LPHA only)
- Medical Psychotherapy
- Medication Services
- MAT for OUD
- MAT for AUD and other non-opioid SUDs
- Patient Education
- Recovery Services
- SUD Crisis Intervention Services

Accordingly, the DMC-ODS Plan shall ensure that beneficiaries receiving NTP services and working in or travelling to another county (including a county that does not opt in to the DMC-ODS program) do not experience a disruption of NTP services. In accordance with 42 CFR 438.206, if the DMC-ODS Plan's provider network is unable to provide necessary services to a particular beneficiary (e.g., when a beneficiary travels out of county and requires daily NTP dosing), the DMC-ODS county shall adequately and timely cover these services out-of-network for the beneficiary, for as long as the DMC-ODS Plan's provider network is unable to provide them. In these cases, the DMC-ODS Plan shall coordinate and cover the out-of-network NTP services for the beneficiary.

If a beneficiary working in or travelling to another county is not able to receive medically necessary DMC-ODS services, including NTP services, without paying "out of pocket", the DMC-ODS county of responsibility has failed to comply with the requirements contained in 42 CFR 438.206.

If a beneficiary moves to a new county and initiates an inter-county transfer, the new county is immediately responsible for DMC-ODS treatment services and can claim reimbursement from DHCS through the Short Doyle Medi-Cal System, as of the date of the inter-county transfer initiation. See BHIN 21-032 for policy clarifications on DMC-ODS County of Responsibility.

- **Medication-Assisted Treatment**
  Medications for addiction treatment include all FDA-approved medications and biological products to treat AUD, OUD, and any SUD. MAT may be provided in clinical or non-clinical settings and can be delivered as a standalone service or as a service delivered as part of a level of care listed in this "Covered DMC-ODS Services" section. MAT may be provided with the following service components:

  - Assessment
  - Care Coordination
  - Counseling (individual and group)
  - Family Therapy (LPHA only)
  - Medication Services
  - Patient Education
  - Recovery Services
  - SUD Crisis Intervention Services
  - Withdrawal Management Services

<u>CalAIM DMC-ODS MAT Policy</u>

Under CalAIM, DMC-ODS counties shall ensure that all DMC-ODS providers, at all levels of care, demonstrate that they either directly offer or have an effective referral mechanism to the most clinically appropriate MAT services for beneficiaries with SUD diagnoses that are treatable with medications or biological products (defined as facilitating access to MAT off-site for beneficiaries if not provided on-site. Providing a beneficiary the contact information for a treatment program is insufficient). An appropriate facilitated referral to any Medi-Cal provider rendering MAT to the beneficiary is compliant whether or not that provider seeks reimbursement through DMC-ODS. DMC-ODS Counties shall monitor the referral process or provision of MAT services.

DMC-ODS counties still have the option to cover drug product costs for MAT when the medications are purchased and administered or dispensed outside of the pharmacy or

NTP benefit (in other words, purchased by providers and administered or dispensed on-site or in the community, and billed to the county DMC-ODS plan). DMC-ODS counties that make this election could reimburse providers for the medications, including naloxone, trans-mucosal buprenorphine, and/or long-acting injectable medications (such as buprenorphine or naltrexone), administered in DMC facilities, and non-clinical or community settings. However, consistent with the DMC-ODS State Plan and as described above in the "Covered DMC-ODS Services" section, even if DMC-ODS counties do not choose to cover the drug product costs for MAT outside of the pharmacy or NTP benefit, DMC-ODS counties are still required to reimburse for MAT services even when provided by DMC-ODS providers in non-clinical settings and when provided as a standalone service. All medications and biological products utilized to treat SUDs, including long-acting injectables, continue to be available through the Medi-Cal pharmacy benefit without prior authorization, and can be delivered to provider offices by pharmacies.

Beneficiaries needing or utilizing MAT must be served and cannot be denied treatment services or be required to decrease dosage or be tapered off medications as a condition of entering or remaining in the program.

DMC-ODS providers offering MAT shall not deny access to medication or administratively discharge a beneficiary who declines counseling services. For patients with lack of connection to psychosocial services, more rigorous attempts at engagement in care may be indicated, such as using different evidence-based practices, different modalities (e.g., telehealth), different staff, and/or different services (e.g., peer support services). If the DMC-ODS provider is not capable of continuing to treat the beneficiary, the DMC-ODS provider must assist the member in choosing another MAT provider, ensure continuity of care, and facilitate a warm hand-off to ensure engagement.

- **Clinician Consultation (previously Physician Consultation Services)** Clinician Consultation replaces and expands the previous "Physician Consultation" service referred to in the Section 1115 STCs that were used to describe the DMC-ODS program during the years 2015-2021.

  Clinician Consultation consists of DMC-ODS LPHAs consulting with LPHAs, such as addiction medicine physicians, addiction psychiatrists, licensed clinicians, or clinical pharmacists, to support the provision of care.

  Clinician Consultation is not a direct service provided to DMC-ODS beneficiaries. Rather, Clinician Consultation is designed to support DMC-ODS licensed clinicians with complex cases and may address medication selection, dosing, side effect management, adherence, drug-drug interactions, or level of care considerations.

It includes consultations between clinicians designed to assist DMC clinicians with seeking expert advice on treatment needs for specific DMC-ODS beneficiaries. DMC-ODS Counties may contract with one or more physicians, clinicians, or pharmacists specializing in addiction in order to provide consultation services. These consultations can occur in person, by telehealth, by telephone, or by asynchronous telecommunication systems.

- **Recovery Services**
  Recovery Services are designed to support recovery and prevent relapse with the objective of restoring the beneficiary to their best possible functional level. Recovery Services emphasize the beneficiary's central role in managing their health, use effective self-management support strategies, and organize internal and community resources to provide ongoing self-management support to beneficiaries. Beneficiaries may receive Recovery Services based on self-assessment or provider assessment of relapse risk. Beneficiaries do not need to be diagnosed as being in remission to access Recovery Services. Beneficiaries may receive Recovery Services while receiving MAT services, including NTP services. Beneficiaries may receive Recovery Services immediately after incarceration with a prior diagnosis of SUD. Services may be provided in person, by telehealth, or by telephone. Recovery Services can be delivered and claimed as a standalone service, concurrently with the other levels of care, or as a service delivered as part of these levels of care.

  Recovery Services include the following service components:

  - Assessment
  - Care Coordination
  - Counseling (individual and group)
  - Family Therapy (LPHA only)
  - Recovery Monitoring, which includes recovery coaching and monitoring designed for the maximum reduction of the beneficiary's SUD.
  - Relapse Prevention, which includes interventions designed to teach beneficiaries with SUD how to anticipate and cope with the potential for relapse for the maximum reduction of the beneficiary's SUD.

- **Care Coordination (Previously Case Management)**
  This section of the information notice supersedes in part MHSUDS IN 17-045 regarding the Healthcare Common Procedure Coding System (HCPCS) codes for claiming Case Management.

  Care coordination was previously referred to as "case management" in the Section 1115 STCs that were used to describe the DMC-ODS program for the

years 2015-2021. Per CMS feedback, DHCS has retitled and re-described this benefit as “care coordination.”

Care coordination shall be provided to a client in conjunction with all levels of treatment. It may also be delivered and claimed as a standalone service. DMC-ODS Counties, through executed memoranda of understanding, shall implement care coordination services with other SUD, physical, and/or mental health services in order to ensure a client-centered and whole-person approach to wellness.

Care coordination consists of activities to provide coordination of SUD care, mental health care, and medical care, and to support the beneficiary with linkages to services and supports designed to restore the beneficiary to their best possible functional level. Care coordination can be provided in clinical or non-clinical settings (including the community) and can be provided face-to-face, by telehealth, or by telephone. Care coordination includes one or more of the following components:

- Coordinating with medical and mental health care providers to monitor and support comorbid health conditions.
- Discharge planning, including coordinating with SUD treatment providers to support transitions between levels of care and to recovery resources, referrals to mental health providers, and referrals to primary or specialty medical providers.
- Coordinating with ancillary services, including individualized connection, referral, and linkages to community-based services and supports including but not limited to educational, social, prevocational, vocational, housing, nutritional, criminal justice, transportation, child care, child development, family/marriage education, cultural sources, and mutual aid support groups.

Documentation Standards

Documentation standards for assessments/re-assessments, health questionnaires, problem lists/treatment plans, progress notes, etc. can be found in Policy & Procedure SUPT 11-02 Electronic Health Record and Documentation.

DMC-ODS Provider Qualifications

DMC-ODS services are provided by DMC-certified providers. DMC certified providers responsible for the provision of DMC-ODS services must: 1) be licensed, registered, enrolled, and/or approved in accordance with all applicable state and federal laws and regulations; 2) abide by the definitions, rules, and requirements

for stabilization and rehabilitation services established by DHCS; and 3) sign a provider agreement with the DMC-ODS Plan.

Provider Classifications:

C = Counselors
An Alcohol or other Drug (AOD) counselor that is 1) either certified or registered by an organization that is recognized by the Department of Health Care Services and accredited with the National Commission for Certifying Agencies (NCCA), and 2) meets all California State education, training, and work experience requirements set forth in the Counselor Certification Regulations, Title 9, Division 4, Chapter 8.

L = Licensed Practitioner of the Healing Arts
A Licensed Practitioner of the Healing Arts (LPHA) includes any of the following: Physician, Nurse Practitioner (NP), Physician Assistant (PA), Registered Nurse, Registered Pharmacist, Licensed Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW), Licensed Professional Clinical Counselor (LPCC), and Licensed Marriage and Family Therapist (LMFT), and licensed-eligible practitioner registered with the Board of Psychology or Behavioral Science Board working under the supervision of a licensed clinician.

M = Medical Director of a Narcotic Treatment Program
The medical director of a Narcotic Treatment Program is a licensed physician in the State of California.

P = Peer Support Specialist
A Peer Support Specialist is an individual in recovery with a current State-approved Medi-Cal Peer Support Specialist Certification Program certification and must meet all other applicable California state requirements, including ongoing education requirements. Peer Support Specialists provide services under the direction of a Behavioral Health Professional. For additional guidance, please refer to BHIN 21-041.

DMC-ODS Service	Practitioner Qualifications
Assessment	C,L*
Care Coordination	C, L
Crisis Intervention	C, L
Family Therapy	L
Counseling (individual and group)	C, L
Medical Psychotherapy	M
Medication Services	C, L
Patient Education	C, L
Support Services	P
Observation	C, L***
Recovery Services	C, L

Notes

* The physical examination by an LPHA in accordance within their scope of practice and licensure. An SUD diagnosis may only be made by an LPHA.

** Certified counselors may assist with some aspects of this service, however, a licensed provider is responsible for this service component.

*** All personnel performing observations must comply with applicable California State withdrawal management training requirements.

Practice Requirements

The DMC-ODS Plan shall ensure that providers implement at least two of the following evidenced-based treatment practices (EBPs). The two EBPs are per provider, per service modality. The DMC-ODS Plan shall ensure the providers have implemented EBPs and are delivering the practices to fidelity. The State will monitor the implementation of EBPs during reviews. The EBPs are:

- **Motivational Interviewing** – A beneficiary-centered, empathic, but directive counseling strategy designed to explore and reduce a person's ambivalence toward treatment. This approach frequently includes other problem-solving or solution-focused strategies that build on beneficiaries' past successes.
- **Cognitive-Behavioral Therapy** – Based on the theory that most emotional and behavioral reactions are learned and that new ways of reacting and behaving can be learned.
- **Relapse Prevention** – A behavioral self-control program that teaches individuals with SUD how to anticipate and cope with the potential for relapse. Relapse prevention can be used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved

during initial SUD treatment.

- **Trauma-Informed Treatment** – Services must take into account an understanding of trauma, and place priority on trauma survivors' safety, choice, and control.
- **Psycho-Education** – Psycho-educational groups are designed to educate beneficiaries about substance abuse and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to beneficiaries' lives; to instill self-awareness, suggest options for growth and change identify community resources that can assist beneficiaries in recovery, develop an understanding of the process of recovery, and prompt people using substances to take action on their own behalf.

Intersection with the Criminal Justice System

Beneficiaries involved in the criminal justice system are often harder to treat for SUD. While research has shown that the criminal justice population can respond effectively to treatment services, the beneficiary may require more intensive services. DMC-ODS counties should recognize and educate staff and collaborative partners that Parole and Probation status is not a barrier to DMC-ODS. In addition, DMC-ODS counties shall ensure that beneficiaries may receive recovery services immediately after incarceration regardless of whether or not they received SUD treatment during incarceration.

DMC-ODS County Oversight, Monitoring, and Reporting

In accordance with the intergovernmental agreement between DHCS and the DMC-ODS Plan, a Quality Improvement Plan that includes the County's plan to monitor the capacity of service delivery as evidenced by a description of the current number, types, and geographic distribution of SUD treatment services. The DMC-ODS Plan must oversee subcontractors' compliance through on-site monitoring reviews and monitoring report submissions to DHCS. The DMC-ODS Plan is also required to comply with compliance monitoring reviews conducted by DHCS and are responsible to develop and implement Corrective Action Plans as needed. DMC-ODS requirements shall only apply to services provided to Medi-Cal beneficiaries and not to those provided to non-Medi-Cal patients receiving services in subcontractors' facilities.

DMC-ODS Financing

January 1, 2022 through June 30, 2023

For claiming federal financial participation (FFP), Counties will certify the total allowable expenditures incurred in providing the DMC-ODS waiver services provided through county-operated providers (based on actual costs, consistent

with a cost allocation methodology if warranted), contracted fee-for-service providers or contracted managed care plans (based on actual expenditures).

Participating counties shall propose county-specific interim rates for all covered DMC- ODS services that are provided by contracted providers, except for the NTP modality, and the State will approve or disapprove those rates. NTP reimbursement shall be set pursuant to the process set forth in Cal. Welf. & Inst. Code Section 14021.51. If during the State review process, the State denies the proposed rates, the county will be provided the opportunity to adjust the rates and resubmit to the State. The State shall retain all approval of the rates to assess that the rates are sufficient to ensure access to available DMC-ODS waiver services. For counties participating in a regional model, contracting with Medi-Cal MCPs to administer the DMC-ODS benefit, counties will reimburse the managed care organizations the contracted Per User Per Month (PUPM) rate. The PUPM is reconciled to the lower of actual costs to the managed care plan or prevailing charges for the services rendered.

After services are provided, participating counties shall certify the total allowable public expenditures incurred in providing the DMC-ODS services provided, including costs incurred by county-operated providers (based on the county interim rate), or in payments to contracted fee-for-service (FFS) providers or contracted MCPs (based on actual expenditures by the county). Interim payments for county-operated providers will be settled based on the provider's allowable costs. All other interim payments are settled to the lower of actual cost or usual and customary charge. A CMS-approved Certified Expenditure Protocol (CPE) protocol, based on actual allowable costs, is required before Federal Financial Participation (FFP) associated with waiver services is made available to the State. This approved CPE protocol must explain the process the State will use to determine costs incurred by the counties.

SB 1020 (Statutes of 2012) created the permanent structure for the 2011 Realignment. It codified the Behavioral Health Subaccount that funds programs including Drug Medi- Cal. Allocations of Realignment funds run on a fiscal year of September 1 through August 30. The monthly allocations are dispersed to counties from the State Controller's Office. The Department of Finance develops schedules, in consultation with appropriate state agencies and the California State Association of Counties (CSAC), for the allocation of Behavioral Health Subaccount funds to the counties.

Subject to the participation standards and process to be established by the State, counties may also pilot an alternative reimbursement structure for a DMC-ODS modality if both the provider of that modality and the county mutually and

contractually agree to participate, including use of case rates. The State and CMS will have the final approval of any alternative reimbursement structure pilot proposed by the county, and such pilot structure must continue to meet the terms and conditions expressed herein, including but not limited to the rate approval process described above. Counties may not utilize any alternative reimbursement structure until approval is received from DHCS and CMS.

July 1, 2023 and ongoing

DHCS will use intergovernmental transfers from all participating counties to finance the nonfederal share of all DMC-ODS payments. All participating counties receive a monthly allocation from the Local Revenue Fund 2011 (2011 Realignment) that is restricted to providing Medi-Cal Specialty Mental Health Services, Drug Medi-Cal Services, and other non-Medi-Cal SUD services. All participating counties must first meet the needs of Medi-Cal beneficiaries before spending these restricted funds on non-Medi-Cal services. All participating counties will make monthly transfers to DHCS from these and any other funds eligible under federal law for federal Medicaid reimbursement to finance the nonfederal share of all DMC-ODS payments. Participating non-regional counties will be reimbursed pursuant to a fee schedule for all covered DMC-ODS services.

External Quality Review

The DMC-ODS Plan will meet timelines for External Quality Review (EQR) requirements (438.310–370).

Network Adequacy Requirements

The DMC-ODS Plan is required to comply with network adequacy requirements and have executed memoranda of understanding with county Managed Care Plans.

DMC-ODS Member Handbook

A handbook provided to beneficiaries to enhance their understanding of the DMC-ODS benefits available and how to access services.

DMC-ODS Treatment Practice Guidelines and Provider Manual

Written guidelines, in compliance with DMC-ODS treatment requirements and standards, for all Sacramento County DMC-certified subcontracted providers.

REFERENCE(S) / ATTACHMENTS:

- DHCS BHIN #21-075 and Enclosures
  https://www.dhcs.ca.gov/Documents/BHIN-21-075-DMC-ODS-Requirements-for-the-Period-2022-2026.pdf
  DHCS BHIN #22-019

BHIN-22-019-Documentation-Requirements-for-all-SMHS-DMC-and-DMC-ODS-Services.pdf
CalMHSA DMC-ODS LPHA Documentation Guide
CalMHSA-DMC_DMC-ODS-LPHA-Documentation-Guide

- Sacramento County DMC-ODS Implementation Plan
  https://dhs.saccounty.gov/BHS/Documents/Reports--Workplans/RT-DMC-ODS-Implementation-Plan-FINAL.pdf
- *The ASAM Criteria, Third Edition*
  https://www.asam.org/asam-home-page
- Policy & Procedure: SUPT-11-02 Electronic Health Record and Documentation
- W&I Code section 14059.5
- Behavioral Health Information Notice No. 20-074E

DISTRIBUTION:

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X	SUPT Administrative Staff		BHS Mental Health Services
X	SUPT Options for Recovery	X	BHS Quality Management
X	SUPT Proposition 36		

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