



Communication Release Fiscal Year Cut-Over Updates

07/01/2025

No Authorization or Payment Blackouts for Fiscal Year 25-26

SAPC is happy to announce that Sage configuration for the FY 25-26 has been completed. While providers may continue to submit claims for FY24-25, providers can also begin submitting claims for FY 25-26 on Tuesday 7/1/2025 without a Claim Submission Blackout.

Providers are reminded that SAPC released Information Notice 25-09 Rates and Payment Policy for Fiscal Year 2025-2026 on 6/12/2025. SAPC IN 25-09, effective July 1, 2025, outlines the implementation of the new rates under payment reform and includes additional important payment-related information. These updates include, but are not limited to:

- A 3.10 percent increase from FY 2024-2025 rates for all ASAM levels of care. Note the FY2025-2026 Recovery Bridge Housing and Recovery Housing day rate will remain at the FY2024-2025 amounts.
- An updated set of optional Value-Based Incentives (formerly known as Capacity Building and Incentives) opportunities.
- Removal of the requirement to bill \$0 services for patients in **residential and withdrawal management levels of care**, except for H2010M/N.
- The documents include the Information Notice, Rates Matrix and supporting documentation and are available at the following link: <http://publichealth.lacounty.gov/sapc/providers/manuals-bulletins-and-forms.htm#bulletins>
- Please contact your assigned Contract Program Auditor should you have any questions or need additional information.

Reminder: No Authorization Blackout during FY 25-26 Cut-Over: Providers can continue to submit authorizations as we transition into FY 25-26.

- Secondary Sage Users: Please ensure that your EHR is updated with the new split authorization numbers for the FY 25-26 in preparation for billing for the new fiscal year. New authorization numbers for split authorizations are available for providers to access via Sage PCNX using the Authorization Request Status Report. Claims for FY 25-26 submitted with a FY 24-25 authorization number will be denied for "Invalid authorization number" and denial code CO 284 M62.

Reminder: Providers can continue to submit claims for FY 24-25: Providers can and should continue to submit claims from FY 24-25 with dates of service through June 30, 2025, for adjudication during the EOY cut-over period.

Revised Billing Deadlines for FY FY 23-24, FY 24-25

Due to recent system changes and provider inquiries, SAPC is revising some of the previously set billing deadlines to allow providers to receive delayed adjudications and fix denials. The following revised deadlines apply to all agencies and are subject to change, per Department of Health Care Services (DHCS) claiming deadlines.

- FY 23-24: Deadline extended to 8/29/2025
- FY 24-25/25-26: Claiming deadlines for original and replacement services will not be implemented on 7/1/2025 as planned. A future date of implementation will be announced in FY 25-26 but not before 9/30/2025.

Questions related to the billing deadlines should be directed to SAPC-Finance@ph.lacounty.gov.

OTP Split Auths for FY 26-27

SAPC Contracts Division approved provider contracts for an additional year allowing contract numbers to remain unchanged. This extension allowed Sage to be configured to create split authorizations for any authorization crossing into FY 26-27.

Authorizations for OTP patients that cross into FY 26-27 no longer need to be manually ended on 6/30/2026. OTPs can submit the full authorization period that will trigger the system to automatically create the split auth. For authorizations previously end dated on 6/30/2026, OTPs should manually submit the remaining auth period for UM to review and process. This will not be automated for providers.
