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SAPC INFORMATION NOTICE 22-13
Supersedes IN 21-09

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TO: Los Angeles County Substance Use Disorder Contracted Treatment Network Providers

FROM: Gary Tsai, M.D., Division Director
Substance Abuse Prevention and Control

SUBJECT: **FISCAL YEAR 2022-2023 RATES AND PAYMENT POLICY UPDATES**

The Department of Public Health's (DPH) Division of Substance Abuse Prevention and Control (SAPC) received approval from the California Department of Health Care Services (DHCS) to modify the Fiscal Year (FY) 2022-2023 Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver rates for all levels of care, except Opioid Treatment Programs (OTP) reimbursement rates, as the State sets these rates. This Information Notice (IN) outlines the implementation of the new rates and corresponding standards as outlined in the FY 2022-2023 Rates and Standards Matrix, effective July 1, 2022, and includes other important payment-related information.

Rate Increase Overview

American Society of Addiction Medicine (ASAM) levels of care (LOC) rates increased to continue the shift of the specialty substance use disorder (SUD) system towards parity with mental and physical health systems and to enable Network Providers to invest in improved patient experiences and outcomes. SAPC procured an actuarial firm to evaluate FY 2021-2022 rates relative to other DMC-ODS counties, other government payors, market rates for commercially covered like-services, and interim cost reports voluntarily submitted by some providers.

For FY 2022-2023:

- SAPC is continuing with a standard base rate model for services.
- Nearly all DMC-ODS base rates for reimbursable services are increasing by the Medicare Market Basket Inflator of 3.1% for all LOCs.
- SAPC continues to implement increases above the base rate for specialized perinatal (+7.81%) and youth (+2.14%) programs; documentation time for all LOCs as outlined in the Provider Manual; and travel time for approved field-based services.
- Two new service rates are being introduced for Peer Support Services[1]
  - Peer Support Specialists – Behavioral Health Prevention Education Services (H0025) rate of $12.00 per 15-minutes
  - Peer Support Specialists – Self Help/Peer Services (H0038) rate of $12.00 per 15-minutes
- A Medication Services[2] rate (MAT Svc) of $87.00 per 15-minutes (equivalent to $348 per hour) which reimburses licensed clinicians whose scope of practice includes ordering or prescribing, (e.g. MD/DO, NP, and PA only) and and/or administering medications conducting medical evaluations, monitoring the patient response to medications, and administering medications (MD/DO, NP, PA, and RN only) which are medically necessary to treat patients with substance use disorders.
- Standard base rate changes are as follows:

FY 22-23 Changes over Standard Base Rate	
ASAM 1.0 – Outpatient	+ 20.7%
ASAM 2.1 – Intensive Outpatient	+ 20.7%
ASAM 3.1, 3.3, 3.5 – Residential	+ 3.1%
ASAM 1-WM, 2-WM, 3.2-WM	+ 2.3%
ASAM 3.7-WM*	+ 14.1%
ASAM 4-WM*	+ 13.5%
Care Coordination (formerly Case Management)	+ 16%
Recovery Services	+ 24.9%
Opioid Treatment Programs	Not Applicable

*An increase was applied to ASAM 3.7 WM and ASAM 4.0 WM to include the costs to deliver care coordination, peer support, and medication services as a component of the day rate

[1] See Peer Support Services BHIN 21-075
[2] See MAT Frequently Asked Questions, Additional MAT FAQ, SAPC Information Notice 22-04, and DHCS BHIN 21-024 for information about MAT Services

Population Modifiers

DHCS requires programs specializing in serving pregnant and parenting women (PPW) and youth to comply with the Perinatal Practice Guidelines and Youth Treatment Guidelines, respectively. This enhanced rate is designed to continue to support providers in meeting these expectations, in addition to other local requirements (i.e., pregnancy intention services within PPW programs). Each Network Provider site that meets the criteria as a PPW or youth-tailored program, which includes identification as such on the Service and Bed Availability Tool (SBAT), is eligible for this enhanced rate for allowable DMC-ODS services. These modifiers do not apply to supplemental PPW services for transportation and childcare as these rates are set by Federal and State entities. PPW sites that also serve pregnant/parenting youth only receive the PPW modifier.

SAPC is developing enhanced guidelines for PPW and youth services in collaboration with network providers that will be required for continued receipt of increased rates and participation as a specialized service location.

SITE QUALIFICATIONS FOR POPULATION MODIFIERS		
Population Modifier	**Criteria**	**Increase**
Youth 12-17 years of age "HA"	• Experience serving youth (ages 12 through 17) in at least 2 of the last 7 years. • Demonstrated experience using evidence-based practices that are specific to youth. • Counselors and/or Licensed Practitioner of the Healing Arts (LPHA) providing direct SUD treatment services to youth, young adults and families have a minimum of 2 years' experience providing youth services, which includes working with youth who are runaways, victims of abuse and pregnant or with children. • Policies and procedures for addressing the needs of youth with SUD, such as ensuring developmentally appropriate services, family involvement, composition of group counseling, etc. • Network Provider owner, key staff, and all individuals providing direct services to youths passed a background investigation to the satisfaction of County. • Listed on the SBAT as a qualified site.	2.14%
Pregnant/ Perinatal Women "HD" Or Parenting "PG"	• Current DMC certification for perinatal services. • Counselors and/or LPHAs providing direct SUD treatment services to perinatal women must have minimum of 2 years of experience providing women-specific evidence-based or best practices which includes, but is not limited to: Trauma- Informed and Integrated Trauma Services, relational or cultural approaches that focus on the relevance and centrality of relationships, assessing and reviewing the history of interpersonal violence, women-only therapeutic environments, parenting support, parenting skills, and family reunification services as applicable. • Listed on the SBAT as a qualified site. • Please note that claims for parenting women should be submitted under the parenting modifier "PG".	7.81%

Telehealth and Telephone Services

As of November 1, 2021, services provided via telehealth or telephone services must continue to include the appropriate modifier and place of service code.[3] There is a maximum of four modifiers that can be applied to a claim. In instances where the telephone or telehealth modifier is needed and supersedes the four-modifier max, instruction is to drop the youth modifier HA. Telehealth in the electronic health record (EHR) Sage is configured for all non-residential levels of care (ASAM 0.5, 1.0, 2.1, 1-OTP, 1-WM, 2-WM), Peer Support Services, and Recovery Services. With ASAM 1-WM and ASAM 2-WM ensure level of care modifier U4 or U5 precedes U7 or U8.

	Place of Service Code	Modifier
Telehealth	02	GT
Telephone	02	SC

Documentation Time

To support Network Providers' ability to effectively document delivered services, practitioners will be able to claim the amount of time required to draft the note in the EHR-Sage as follows, and commencing upon Sage configuration:

Service-Based LOC: For ASAM 0.5,1.0, and 2.1, up to 10-minutes of documentation time per patient for group services using 1-minute increments and up to 15-minutes for individual services in 15-minute increments. This includes care coordination, Peer Support Services and Recovery Services.

Day Rate-Based LOC: For ASAM 3.1, 3.3, 3.5, 1-WM, 2-WM, 3.2-WM, 3.7-WM, and 4-WM, SAPC incorporated the cost of documentation into the daily rate. Separate claim submissions are not permitted. Daily or per service notes are now required for these levels of care; the weekly note allowance has been discontinued effective July 1, 2022.

Per DHCS, and as outlined in the DMC-ODS State-County Intergovernmental Agreement, time spent (e.g., start and end time) documenting service delivery must be included in a Progress Note or Miscellaneous Note in addition to the time spent (e.g., start and end time) conducting the service to avoid disallowance. SAPC will monitor this requirement.

Group Formula

SAPC is in the process of updating the group formula within the EHR-Sage to the formula that is currently shown on the rates and standards matrix. This update will allow providers to input variable times for patient documentation per patient served. Network providers will be notified once this change has been completed.

Travel Time

When providing Early Intervention (ASAM 0.5), Outpatient (ASAM 1.0) or Intensive Outpatient (ASAM 2.1) treatment services for at least 60-minutes at a SAPC approved Field-Based Service location, the performing

[3] DHCS Behavioral Health Information Notice 21-047

provider (e.g., SUD Counselor) will be able to add travel time to and from the approved location, up to 30-minutes each way, unless otherwise approved in the Field-Based Service application and based on a SAPC identified gap in network adequacy (e.g., Catalina Island). The Progress Note or Miscellaneous Note must include the start and end time of the travel in each direction in addition to the start and end time of the direct service.

Screening and Referral Connections

To improve the patient experience and reduce unnecessary paperwork, any individual who first presents at a Network Provider must receive either the electronic Youth Engagement Screener (ages 12 through 17) or ASAM CO-Triage screener (18 years of age and older) to determine the Provisional LOC prior to receipt of the full ASAM assessment. The Youth Engagement Screener will soon be replaced with an abbreviated ASAM Screener. Network Providers will be notified once this change takes place. Providers must also complete the *Referral Connections Form* in the Sage system, which outlines attempts to make an appointment for a full ASAM Assessment and the associated outcome. The maximum payment per patient per day per provider agency is $30.00 in all LOCs. The screening is not separately reimbursable when also claiming the Clinical Day rate on the same day.[4]

A Youth Engagement Screener or CO-Triage screening is not reimbursable when referrals originate from the Client Engagement and Navigation Services (CENS), Connecting to Opportunities for Recovery and Engagement (CORE) Centers, or the Substance Abuse Service Helpline (SASH).

Contingency Management

Contingency Management (CM) is a pilot program that provides motivational incentives for non-use of stimulants. Per DHCS, this pilot program is expected to run from the Fall 2022, through March 31, 2024, using HCPCS Code H0050 in 15-minute increments. This will only be available to Los Angeles County DMC beneficiaries who receive services in ASAM 1.0, 2.1, and OTP settings who meet the medical necessity criteria for a stimulant use disorder from provider sites approved as a pilot program site. The **"**HF" Modifier must be used to bill for these services. Per DHCS, this rate includes the expected costs of all the following activities performed by the CM Coordinator and the costs of administering the urine drug testing, including cost of the urine cup and test strips. CM Coordinator activities include[5]:

- Providing instruction to the patient regarding the CM process and protocol
- Distribution of urine drug tests (UDT) to patient
- Providing instruction to the patient for UDT procedures
- Monitoring the UDT process and reading the test results (including verification of any tampering)
- Providing the test results to the patient
- Entering the test results into the web-based or mobile incentive management software program
- Verifying receipt or providing incentive (such as printing of incentive gift card)
- Making referrals as necessary to clinical staff based on testing results

[4] Day Rate Based LOCs include ASAM levels 1-WM, 2-WM, 3.2-WM, 3.7-WM, 4-WM, 3.1, 3.3, 3.5.
[5] DHCS Contingency Management Reimbursement Guidance FAQ

Residential Treatment Services

Pursuant to new State guidelines[6], DMC now reimburses for medically necessary residential treatment and does not stipulate limits related to number of admissions or duration of stay for any Medi-Cal enrolled beneficiary. Therefore, residential admissions for Medi-Cal beneficiaries need to have a corresponding authorization under the DMC funding source.

Care Coordination Services

As of January 1, 2022, Case Management is now referred to as Care Coordination. Care Coordination is a collaborative approach to the delivery of health and social services that connects patients with the appropriate needed services to address specific concerns and barriers to meet treatment plan goals. On January 1, 2021, SAPC removed the 10-hour or 40-unit per month maximum cap for Care Coordination (H0006) services for patients meeting medical necessity criteria. The standalone uncapped benefit applies to most Levels of Care, with the exception of Withdrawal Management Levels 3.7, and 4, where the benefit is incorporated into the day rate and is not a separate billable service. Care Coordination services may be delivered face-to-face, by telephone or through telehealth supportive services.

Initial Assessment and Services During Assessment

DHCS has released Behavioral Health Information Notice (BHIN) 21-075 which indicates Medi-Cal covered and clinically appropriate services (except for residential treatment services) are reimbursable up to 30-days following the first visit with an 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 age 20 or under, 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.

Medication Films and Injectables

DHCS released BHIN 21-049 with the following Exhibit A and Exhibit B which adds new OTP Buprenorphine-Naloxone Film daily rates for both perinatal and non-perinatal patients. This update also includes two new OTP monthly injectable rates for Buprenorphine and Naltrexone.

Medication Services

DHCS has approved SAPC's Rate of $87.00 per 15-minutes (equivalent to $348 per hour) for Medication for Addiction Treatment (MAT) Services in Non-OTP settings using the MATSvc Healthcare Common Procedure Coding System (HCPCS) code to cover medical LPHAs evaluating patients, ordering, prescribing, and administering medications, and monitoring medication response. The H2010 HCPCS code can be used to support services conducted outside of the Medication Services scope, which include safeguarding medications at residential treatment services and educating patients about MAT. SAPC has updated the Rates and Standards Matrix to reflect this change. Please refer to the most recent SAPC Bulletin related to Provider Staffing Guidelines for additional information on these services.

[6] DHCS Behavioral Health Information Notice 21-021

Peer Support Services

As previously indicated, two new service rates are being introduced for Peer Support Services which must be conducted by a certified peer specialist:

- Peer Support Specialists – Behavioral Health Prevention Education Services (H0025) rate of $12.00 per 15-minutes
- Peer Support Specialists – Self Help/Peer Services (H0038) rate of $12.00 per 15-minutes

Providers are instructed to claim using the U code of the ASAM level of care in which the DMC site is certified where the Peer Support Services were delivered.

Recovery Services

DHCS has released BHIN 21-075 which communicates the following code changes to Recovery Services.

The following services have been added and are reimbursable:

- H0001 – Assessment/Intake
- 90846 – Family Therapy
- H0038-P – Relapse Prevention

H0038-S Substance Abuse Assistance is no longer reimbursable as a Recovery Service.

The rates for the Recovery Services benefit have been standardized across all service components except for Screening and Care Coordination. The EHR-Sage system is also being configured to comply with new State guidance[7] that now permits concurrent enrollment in a treatment LOC and serving beneficiaries without a remission diagnosis.

The Sage system will be configured to allow Recovery Services to be authorized through a provider authorization which does not require a SAPC utilization management review prior to provider billing for services. Providers are still responsible for conducting medical necessity evaluations and documenting rationale for level of care determination in the clinical record. Through this process, providers will be issued Provider Authorizations (PAUTH) with the appropriate Recovery Services U codes and previous LOC U code combinations needed to ensure proper adjudication. Providers are instructed to claim using the U code for the DMC certified level of care of the site where the Recovery Services were delivered.

Recovery Bridge Housing

Recovery Bridge Housing (RBH) rates for adult and PPW locations continue at $50.00 and $55.00 per person per day, respectively. Children accompanying the parent in a qualified PPW program are reimbursed at the same rate as the parent. Additional information on the PPW benefit is included in the PPW Specialization Enhanced Rates and Staffing Modifiers matrix and the most current version of the Provider Manual.

[7] DHCS Behavioral Health Information Notice 21-020

Room and Board

The Room and Board rate remains $25.00 for all residential/inpatient LOCs. This will require residential and withdrawal management sites to reevaluate how claims are allocated during cost reporting. If you have any questions, please reach out to your SAPC Finance Analyst.

Opioid Treatment Programs

National Drug Codes

Under the DMC-ODS, OTPs must offer Buprenorphine-Mono, Buprenorphine-Naloxone, Disulfiram, and Naloxone in addition to methadone.[8] The National Drug Code (NDC), according to DHCS' Information Notice 19-033 and the NDC MAT List, must be included in all claims for medication services, excluding methadone, beginning July 1, 2019. Furthermore, to enable Buprenorphine prescribing, qualified prescribers must have the required Drug Enforcement Administration (DEA) X-Waiver.

Counseling Requirements

Patients in OTP settings can receive individual and/or group counseling in excess of 200 minutes (20 10-minute increments) per month if medically justified and documented in the beneficiary record.[9]

HIV and HCV Testing

DHCS factored in the cost to conduct the Human Immunodeficiency Virus (HIV) and the Hepatitis C Virus (HCV) tests within the OTP rates. As such, this service must be documented via the claims system at a $0.00 rate value.

Client Engagement and Navigation Services (CENS)

CENS hourly rate for approved co-locations continues at $73.70 per hour.

Adult At-Risk Program

The Adult At-Risk Program is a service for individuals to learn about and be aware of SUD through interactive educational sessions. CENS provide early intervention services for young adults (ages 18-20) and adults (age 21 and older) whose ASAM Triage Tool results do not meet the criteria for SUD treatment services (ASAM 0.5 or negative, ASAM 1.0 case-by-case basis), engage in SUD high-risk behaviors, or do not meet medical necessity for SUD treatment but may benefit from an intervention.

The target population consists of clients in the community who engage in SUD high-risk behaviors and either screen positive for ASAM 0.5 Early Intervention or do not meet medical necessity for SUD treatment and would benefit from these non-DMC reimbursable services. Participants may have a requirement to participate in an activity to address their SUD behaviors.

The services provided to these clients are generally educational in nature, with a documentation component that is used to certify completion of the program and provide documentation to other county departments, such as the Department of Public Social Services (DPSS), Department of Children and Family Services (DCFS), and Probation, with the client's completion status. These services are part of the services provided by CENS.

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[8] DHCS MHSUDS Information Notice 18-036 or as subsequently modified by the State
[9] DHCS MHSUDS Information Notice 15-028 or as subsequently modified by the State.

Youth Enhancement Services (YES Project)

The YES Project enhances the youth beneficiary package to increase engagement and participation in SUD services by reimbursing youth-contracted SUD treatment providers for services that are not covered nor reimbursable under DMC but are in alignment with the most current version of the Adolescent Substance Use Disorder Best Practices Guide (October 2020). Youth Treatment providers that opted into the YES program may submit claims in accordance with IN 22-05 or the most recent update.

Juvenile Re-Entry Program

The hourly staff rate for approved providers for the Juvenile Re-Entry program, which services youth and young adults between the ages of 12 and 20 at Juvenile Hall and Probation Camps who are screened for a SUD and given appropriate treatment, is set at $84.84 per hour.

Medi-Cal Application Pending

SAPC is continuing the "Pending Medi-Cal Enrollment Allowance" intended to ensure that the SAPC treatment provider network does not deny admission to SUD treatment for patients who are presumed to meet the eligibility criteria for Medi-Cal or My Health LA. The policy allows providers to receive reimbursement in advance for patients who are eligible and in the process of applying for Medi-Cal. This is permitted for up to thirty (30) consecutive calendar days for new patients who have not already been a recipient of this opportunity at another LOC within the same network provider or at another network provider site during the fiscal year (i.e., **limit one per patient per fiscal year system-wide**). This benefit does not apply to patients whose Medi-Cal benefits lapsed during the treatment episode.

This benefit no longer applies for patients awaiting inter-county transfers. Per DHCS BHIN 21-032 and BHIN 21-075, "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 *as of the date of the inter-county transfer initiation* (i.e., change of address). Therefore, providers must assist the patient to initiate an inter-county transfer or verify that the inter-county transfer has been initiated in order to ensure timely claims reimbursement as soon as possible during the admission process.

Similarly, because Medi-Cal benefits are generally retroactive to the date of application submission, providers must help patients who are eligible, but not enrolled to submit their Medi-Cal application as soon as possible during the admission process. The provider is expected to conduct care coordination for this purpose and continue delivering services after the 30-day period while Medi-Cal is pending. Additionally, Medi-Cal eligible beneficiaries may not be charged sliding scale fees or flat fees.

Providers are required to ensure that the *Financial Eligibility Form* in Sage reflects the funding sources available to patients, including both non-DMC and DMC funding. Once Medi-Cal is obtained, the provider must change the *Financial Eligibility Form* in Sage to indicate DMC as the primary payor as this enables previously non-submitted claims to be sent to the State for payment. SAPC will be monitoring and enforcing this policy to ensure that providers are enrolling patients into the appropriate funding source. SAPC will use both technical assistance and compliance measures to support this enforcement.

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)

DHCS has released BHIN 21-051, BHIN 21-075, BHIN 22-003 which give updates on the implementation of EPSDT. In alignment with this instruction, effective January 1, 2022, SAPC has added a new ASAM level of Care ASAM 0.5 that will be used to deliver EPSDT services. SAPC has sunset the use of ASAM 1.0-AR and will now be using ASAM 0.5 exclusively for the claiming of EPSDT services.

Cost Reconciliation

In accordance with DMC-ODS guidelines, SAPC will adhere to the cost reconciliation process and will settle FY 2022-2023 at the lesser of costs or charges for treatment services except as superseded by a SAPC COVID-19 Information Notice, as applicable.

Resources

The SAPC Provider Manual, the Sage 837P Companion Guide, and Sage 837I Companion Guide include additional details on Network Provider requirements, including treatment and billing requirements.

Effective Period

This guidance will be effective July 1, 2022 through June 30, 2023 unless otherwise revised.

Additional Information

Questions or requests for additional information should be sent to Michelle Gibson, Deputy Director for Treatment Services at (626) 299-4571 or migibson@ph.lacounty.gov with copy to Julia Sandoval at jsandoval@ph.lacounty.gov.

Attachments

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