JUSTICE INVOLVED (JI) YOUTH FEE-FOR-SERVICE BILLING TRAINING

Introduction to Requirements

July 8, 2026

SAPC Substance Abuse Prevention and Control

County of Los Angeles Public Health

CalAIM Justice Involved Youth Initiative

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Background

- Under CalAIM, the Department of Health Care Services (DHCS) has implemented the Justice-Involved Initiative (JII).
- The main goal of the initiative is to improve health outcomes of justice-involved individuals as they prepare to re-enter the community.
- The initiative aims to enhance coordinated re-entry efforts across physical and mental health (including SUD).
- California is the first state in the nation approved to offer a targeted set of Medi-Cal services to youth and adults in state prisons, county jails, and youth correctional facilities for up to 90 days prior to release.
  - Substance Use Disorder (SUD) treatment services are reimbursable for clients within these time frames.
  - For today's training, we are focusing on services delivered to youth in correctional facilities.

County Operational Impacts

- Under JII, SUD services provided to youth who are incarcerated are reimbursable by Medi-Cal for the 90 days prior to their release date.
  - This requires that the youth has Medi-Cal. Services delivered to youth without Medi-Cal are not reimbursable by Medi-Cal.
  - Prior to this initiative, services delivered to youth in correctional facilities were not reimbursable by Medi-Cal.
- Multiple LA County departments are required to work together to integrate care for the youth clients to ensure they receive all required services in accordance with the requirements established by DHCS.
- Medi-Cal reimbursable services are not billed through DMC-ODS pathways, but instead through Fee-for-Service via CA-MMIS (California Medicaid Management Information System).
- Billing services through Fee-for-Service/CA-MMIS requires meeting different rules and regulations, necessitating SAPC to create a new structure in Sage for billing JI youth services.

New Billing Procedures And Service Codes

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Required Changes to Billing JI Youth Services

For SAPC to meet Medi-Cal requirements for JI youth services, adjustments to the reimbursement process needed to be made. With the 90-day pre-release services now being billable to Medi-Cal, SAPC needs claim data in order to seek reimbursement from DHCS.

STAFF HOUR INVOICES → **SAGE BILLING**

SAPC Systems of Care will provide guidance separately on any changes to currently required Sage forms.

Direct and Indirect Service Billing

- Direct services delivered to youth clients who are incarcerated will be required to be billed via Sage.
- Indirect services delivered to support youth clients or general JI activities will be required to be billed via Sage.
- For direct/indirect services delivered as part of the JI youth program, delivered on or after 8/1/2026, SAPC will only accept Sage claims for reimbursement and will no longer accept invoices.
  - Services for July 2026 (and prior) will still be billable via invoice.
- Service codes specific to JI direct/indirect services have been created to use for billing via Sage.
- A JI FFS Rates Matrix has been created for the specific codes billable for this program.
- Provider agencies will be paid based on the services billed.

Rate Structure

- The staff hour rate for JI youth services was converted to a per 15-minute amount (hourly rate divided by 4). The majority of service codes for JI youth services are billed in 15-minute increments.
- Service codes with a longer service duration than the usual 15 minutes have an adjusted rate to accommodate the longer service time.
- Service rates are the same across all allowable license types as noted on the JI FFS Rates Matrix.
- Provider agencies must ensure that the total number of units billed per day per staff member does not exceed the total number of hours worked.
    - This will be monitored to ensure overbilling does not occur and must be backed up by staff hour logs during auditing.
    - If overbilling has occurred, services will be disallowed and recouped.

Direct Service Codes

- DHCS has set specific codes allowed to be billed for JI youth behavioral health services, which SAPC has narrowed down to applicable codes for SUD treatment.
- All direct service codes include a “J” at the beginning of the code, for example, JH0004 for Individual Counseling, to designate the code as part of the JI youth code set.
- The allowable license types have been narrowed down to applicable practitioners, focused on Certified/Registered Counselors, LPHAs, LE-LPHAs, and Psychologists.
- All JI youth services require the U8 modifier, to designate the service as delivered as part of the JI program. Regardless of whether the client is in a 0.5, 1.0, or 2.1 Level of Care, the service is billed with the U8 modifier.
- All JI youth services must also include either the QJ modifier to designate the service as delivered in-person OR SC/93/95 to designate the service as delivered via telehealth.

Direct Service Codes (Continued)

- Services billed with the QJ modifier must use the 09 place of service/location code.
- Services billed with the SC/93/95 modifier must use the 02 or 10 place of service/location code.
- Example service code and modifier combinations:
  - JH0004:U8:QJ > with place of service 09
  - J90847:U8:93 > with place of service 10
  - Services must **not** be billed with the code + U8 only (e.g., JH0004:U8)

FY 26-27 Justice-Involved Youth Fee-for-Service Rates Matrix

Code	Code Type	Code Description	Rate Per Unit	Allowable License Types	Minimum Service Duration Needed to Claim 1 Unit in Minutes	Allowable Locations	Allowable Modifiers	Max Units Allowed Per Service	90785 Interactive Complexity Allowed
J90785	Supplemental Services	Interactive complexity	$22.53	LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	N/A	02, 09, 10	U8, QJ, 93, 95	1	N/A
J90791	Assessment	Psychiatric diagnostic evaluation, 60 minutes	$90.10	LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	31	02, 09, 10	U8, QJ, 93, 95	1	Y
J90847	Family Therapy	Family Psychotherapy (Conjoint psychotheraphy with Patient Present), 50 minutes **Payment for this service is rounded up to 60 minutes*	$90.10	LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	26	02, 09, 10	U8, QJ, 93, 95	1	Y
J90849	Family Therapy	Multiple-family group psychotherapy, 84 minutes **Payment for this service is rounded up to 90 minutes*	$135.15	LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	43	02, 09, 10	U8, QJ, 93, 95	1	Y
J90889	Care Coordination	Preparation of report of patient's psychiatric status, history, treatment, or progress (other than for legal or consultative purposes) for other individuals, agencies, or insurance carriers, 15 minutes	$22.53	LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	8	02, 09, 10	U8, QJ, 93, 95	1	N
JH0001	Assessment	Alcohol and/or drug assessment, 15 minutes	$22.53	Registered and Certified Counselors, LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	8	02, 09, 10	U8, SC, QJ	16	N
JH0004	Individual Counseling	Behavioral health counseling and therapy, 15 minutes	$22.53	Registered and Certified Counselors, LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	8	02, 09, 10	U8, SC, QJ	16	N
JH0005	Group Counseling	Alcohol and/or drug services; group counseling by a clinician, 15 minutes	$22.53	Registered and Certified Counselors, LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	8	02, 09, 10	U8, SC, QJ	16	N
JH0007	SUD Crisis Intervention	Alcohol and/or drug services; crisis intervention (outpatient), 15 minutes	$22.53	Registered and Certified Counselors, LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	8	02, 09, 10	U8, SC, QJ	16	N
JH0049	Assessment	Alcohol and/or drug screening, 15 minutes	$22.53	Registered and Certified Counselors, LPHA, LPHA-CT, LE-LPHA, PhD-CT/PsyD-CT, PhD/PsyD	8	02, 09, 10	U8, SC, QJ	16	N

Indirect Service Codes

- The indirect service codes allow for SAPC and provider agencies to shift to Sage billing for staff time dedicated to JI services outside of direct client treatment.
- When indirect services are conducted for an individual client, the indirect service code is billed against the PATID of the client in Sage.
- When indirect services are conducted for one or more clients at a time or are general JI activities, the services are billed against the PATID of a stand-in client in Sage.
- Indirect service code categories are:
  - Documentation
  - Outreach and Engagement
  - Care Delivery Activities
  - Administrative Coordination
- The indirect service codes are only billable with the 09 or 11 place of service/location codes. No modifiers are required.

Documentation
JDOC

- Documentation of activities and services
- Probation/court reports
- Entering data into EHR

Outreach and Engagement
JOAE

- Engagement with parents/guardians
- Caregiver Services (classes parents and guardians)
- Re-engagement with non-compliant clients
- Community outreach
- Provision of SUD educational services to Probation, and staff at Detention Facilities
- Collaborating with MDTs

Care Delivery Activities
JCDA

- Communication and coordination with other non-clinical providers
- Scheduling appointments
- Setting up rooms and equipment for class settings
- Group/educational class planning
- Developing educational materials

Administrative Coordination
JADMIN

- Billing and coding for services
- Creating policies and educational materials
- Supervision
- Staff Trainings
- Quality improvement

Admin Staff Hour Billing

- For provider agency staff that do not provide clinical services and whose time is paid fully or partially by justice involved funding, the indirect service codes can be used to submit the time they spent on JI.
  - These are staff who do not need to login to Sage, do not need any Sage related training, or update/complete any Sage forms themselves.
- These staff will be required to be in Sage as a practitioner in order to be added to the claim for billing the indirect services.
- More info will be shared soon on how to enroll these admin staff into Sage for billing purposes.

Indirect Service Billing: Client & Auth vs. Stand-in Client

Client & Member Auth

- Indirect service was conducted to support an individual client's treatment
- Bill against the client and the member authorization

Stand-in Client & PAuth

- Indirect services not tied to a particular client or multiple clients
- Bill against the stand-in client and PAuth

Stand-in Client Information

- SAPC has created a stand-in client for the indirect services not provided to an individual client.
- The stand-in client PATID will be provided to the provider agencies prior to August 1st.
- SAPC will manage the required forms for the client. Provider agencies must not change the information in Sage forms to prevent local denials.
- This includes the following forms:
  - Diagnosis
  - Financial Eligibility
  - Update Client Data
  - Admission (Outpatient)

Claiming Timeline

- Fee-for-Service Medi-Cal, required to be billed for JI youth pre-release services, has a shorter claiming timeline for services than DMC-ODS.
- Due to this shortened claiming timeline with Medi-Cal, SAPC must require that provider agencies bill for services **within 45 days of service** for both original and replacement claims.
  - This timeline will be effective October 1, 2026 to allow time for SAPC and provider agencies to work out any potential issues.
- Provider agencies will need to work local denials quickly in order to receive payment.
  - Specific denial resolution procedures should be maintained that focus on immediate local denial resolution.
- Services denied by Medi-Cal will not be recouped from provider agencies and will not be required to be resubmitted unless directed by SAPC.
  - SAPC will be attempting to resolve the State denials received and may require provider agencies to fix claim information by submitting a replacement claim.

Claim Processing and Payments

- Processing of claims, EOBs, 835s, and payments at the local level follow standard DMC-ODS practices and timelines.
- Claims submitted by the 10th of the month will be paid by the 25th of the month.
- All standard reports and EDI files are provided as usual.

Monitoring and Auditing

- SAPC will monitor JI services by:
  - Reviewing and confirming that total billed units do not exceed the staff member's hours worked for the day
  - Ensuring clients are receiving the appropriate number of service hours based on the level of care requirements
- Services that exceed these limits or that are not supported by required documentation, including clinical documentation and staff timesheets, will be disallowed.
- SAPC will also review all JI services to ensure compliance with DHCS JI policies and regulations.

Service Authorizations

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Service Authorization Requirements

- When completing a Service Authorization Request for a JI youth client, the following fields have specific JI youth requirements:
  - **Funding Source Authorization is For field:** Regardless of the client's enrollment in Medi-Cal, the Funding Source selected must be (7) FFS Medi-Cal. Refer to Figure 1. Funding Source and Account for an example.
  - **Account field:** Only the DMC account should be selected. Refer to Figure 1. Funding Source and Account for an example.
  - **Benefit Plan field:** There are three (3) new benefit plans for JI youth: ASAM 0.5 - JI Youth, ASAM 1.0 - JI Youth, and ASAM 2.1 - JI Youth. Only one of these three plans should be selected. Refer to Figure 2. Benefit Plans for an example of the dropdown selections.
    - These new Benefit Plans are not applicable until 8/1/2026.

Service Authorization Examples

Figure 1. Funding Source and Account

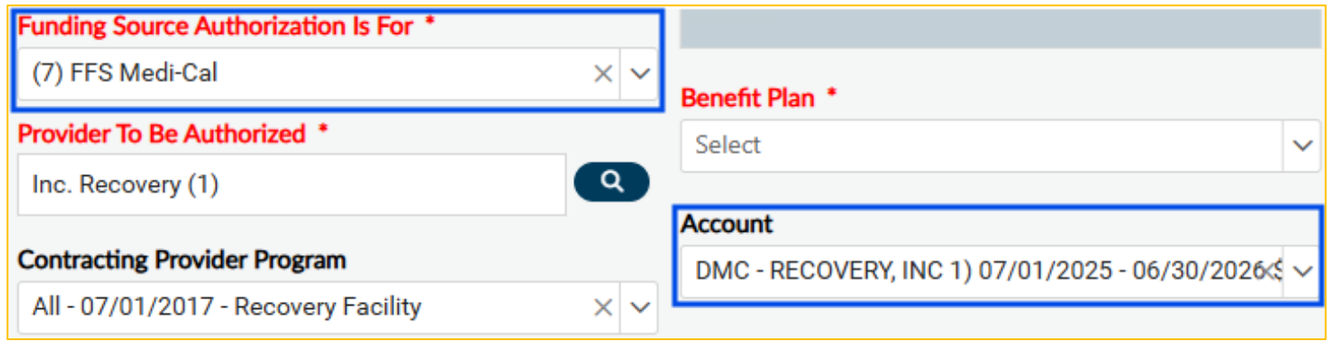
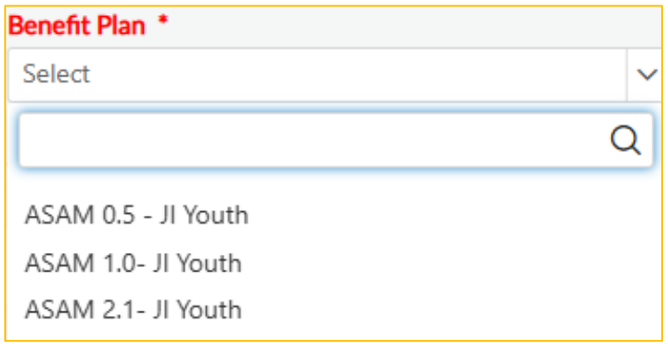


Figure 2. Benefit Plans



Financial Eligibility

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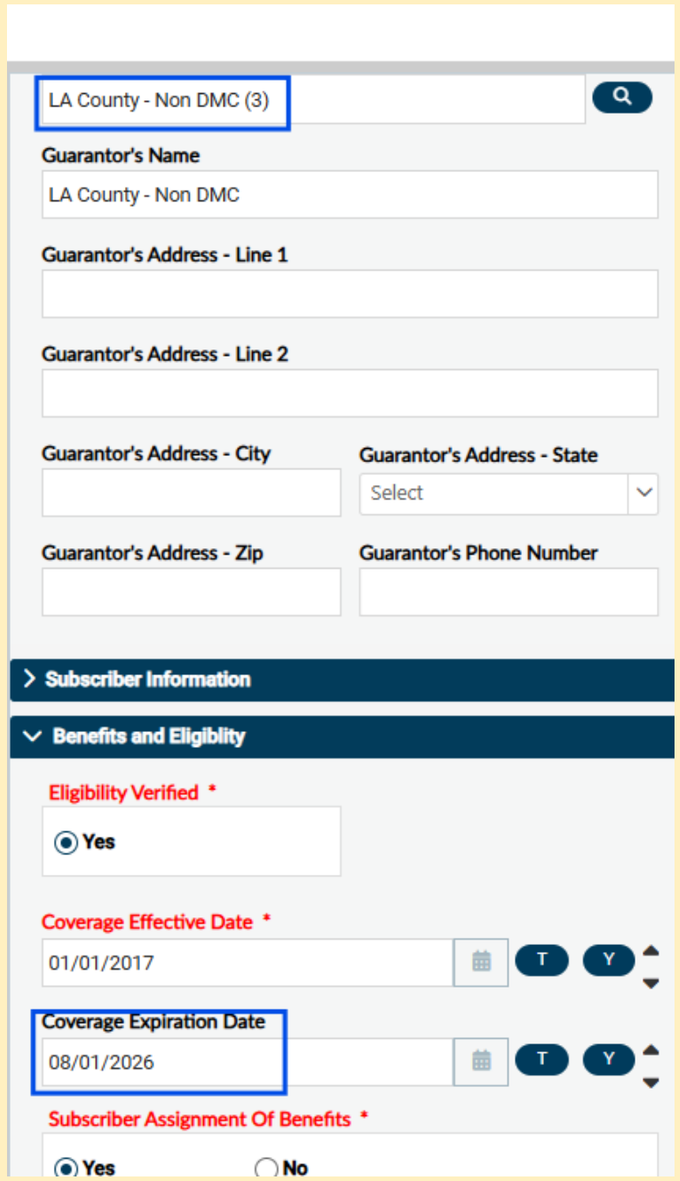
Financial Eligibility

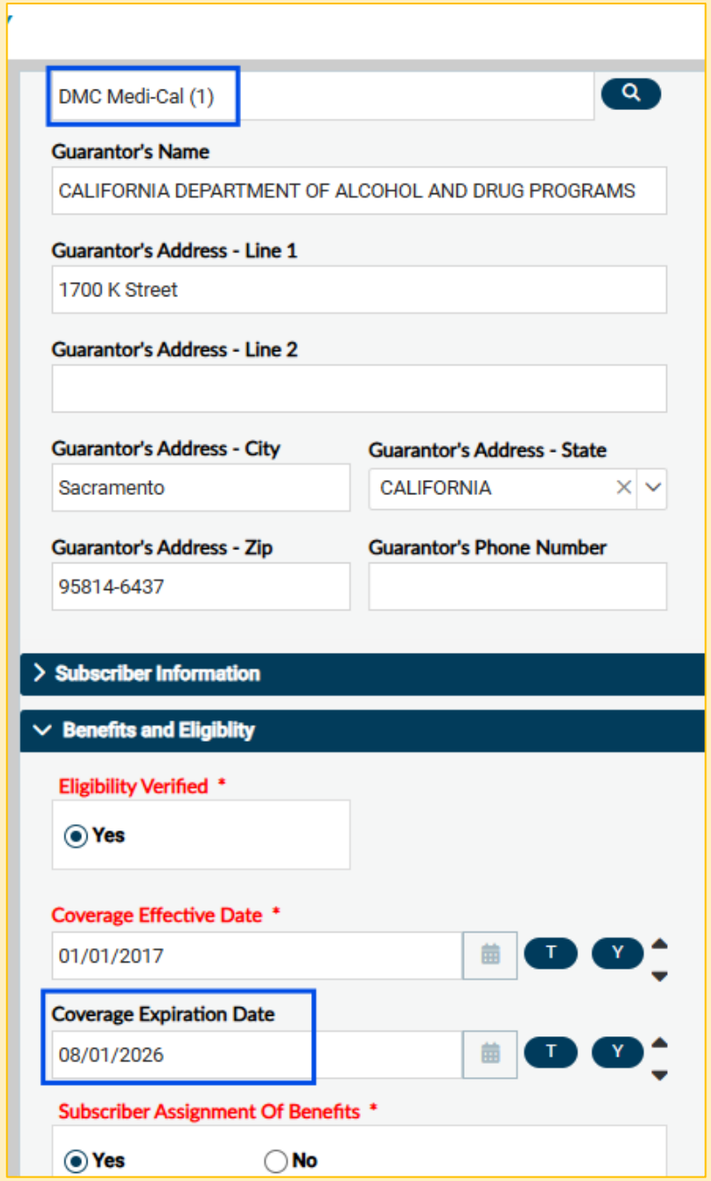
- All JI youth clients receiving treatment while incarcerated are required to have the new guarantor for Fee-for-Service Medi-Cal on their Financial Eligibility, regardless of Medi-Cal enrollment.
- Setting up the Financial Eligibility correctly for the clients in the JI youth program is critical to avoid local denials and ensure timely payment for services.
- The required guarantor in Sage is: FFS Medi-Cal (7).
- The following slides provide guidance on how to set up the Financial Eligibility for various scenarios that may occur but may not cover all possible scenarios.
- For JI youth clients, the LA County Probation Department will be responsible for assisting the family in applying for Medi-Cal if the youth does not have Medi-Cal and is eligible.
  - Provider agencies will not be responsible for resolving Medi-Cal eligibility issues but may need to discuss eligibility related concerns with the client's Department of Mental Health Care Manager and/or Probation Department contacts.
  - Coordination between County departments and SAPC provider agencies related to Medi-Cal is critical.

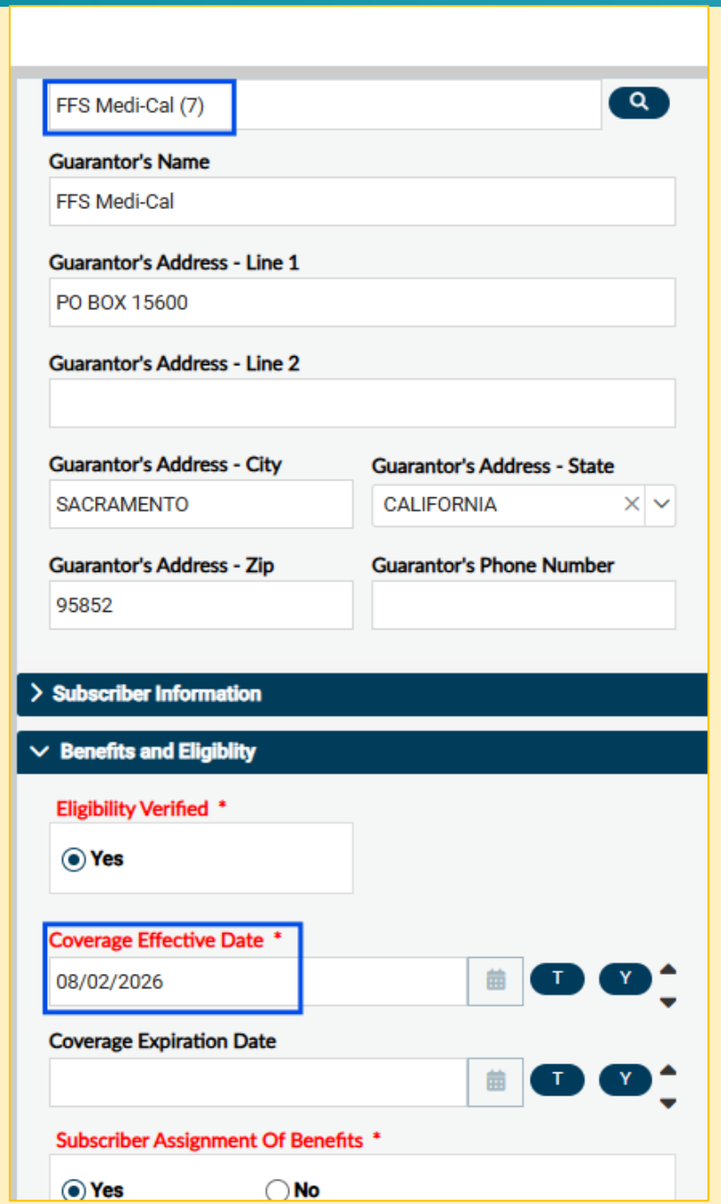
Financial Eligibility Scenario Example

Scenario: Client has Medi-Cal and received SUD treatment by the provider agency prior to incarceration and has an existing Sage record with Financial Eligibility indicating DMC and/or Non-DMC.

1. DO NOT delete the existing DMC and/or Non DMC guarantor(s).
2. Enter the Coverage Expiration Date(s) as the day before the treatment start date for the DMC and/or Non-DMC guarantors.
3. Add the FFS Medi-Cal guarantor with a Coverage Effective Date as the first date of treatment and complete all fields as required in the form.


LA County - Non DMC (3)
Guarantor's Name
LA County - Non DMC
Guarantor's Address - Line 1
Guarantor's Address - Line 2
Guarantor's Address - City
Guarantor's Address - State
Select
Guarantor's Address - Zip
Guarantor's Phone Number
Subscriber Information
Benefits and Eligiblity
Eligibility Verified *
Yes
Coverage Effective Date *
01/01/2017
T
Y
Coverage Expiration Date
08/01/2026
Subscriber Assignment Of Benefits *
Yes
No

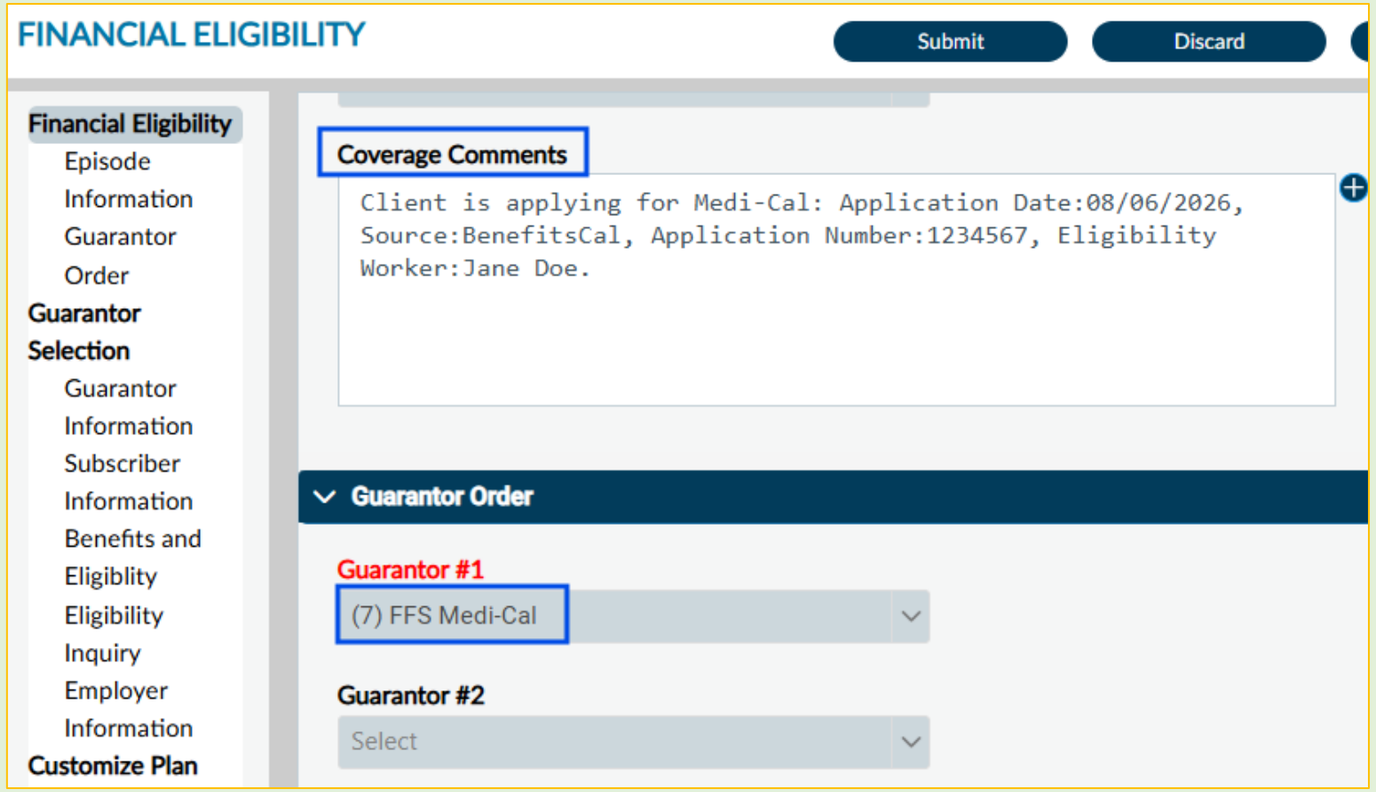

DMC Medi-Cal (1)
Guarantor's Name
CALIFORNIA DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS
Guarantor's Address - Line 1
1700 K Street
Guarantor's Address - Line 2
Guarantor's Address - City
Sacramento
Guarantor's Address - State
CALIFORNIA
Guarantor's Address - Zip
95814-6437
Guarantor's Phone Number
Subscriber Information
Benefits and Eligiblity
Eligibility Verified *
Yes
Coverage Effective Date *
01/01/2017
T
Y
Coverage Expiration Date
08/01/2026
Subscriber Assignment Of Benefits *
Yes
No

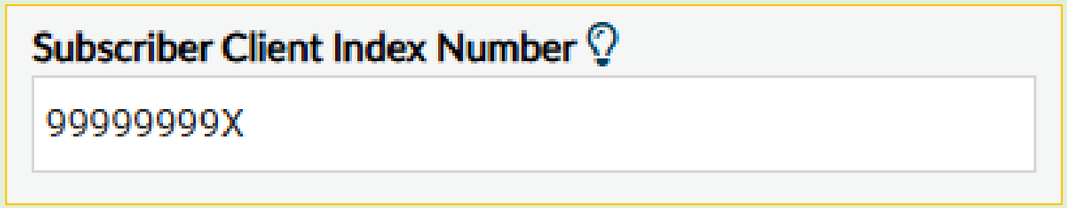

FFS Medi-Cal (7)
Guarantor's Name
FFS Medi-Cal
Guarantor's Address - Line 1
PO BOX 15600
Guarantor's Address - Line 2
Guarantor's Address - City
SACRAMENTO
Guarantor's Address - State
CALIFORNIA
Guarantor's Address - Zip
95852
Guarantor's Phone Number
Subscriber Information
Benefits and Eligiblity
Eligibility Verified *
Yes
Coverage Effective Date *
08/02/2026
T
Y
Coverage Expiration Date
Subscriber Assignment Of Benefits *
Yes
No

Financial Eligibility Scenario Example

Scenario: Client has no prior SUD treatment by the provider agency prior to incarceration and is applying for Medi-Cal.

1. Add the FFS Medi-Cal guarantor.
   a) Do not use the Applying for Medi-Cal guarantor.
2. Enter the placeholder CIN (99999999X) in the Subscriber Client Index Number (CIN) field.
3. Enter the first day of treatment as the Coverage Effective Date.
4. Enter the client's application information in the FE Coverage Comments field.
   a) Date of Application
   b) Source of Application (e.g., through Probation, BenefitsCal, etc.)
   c) Application Number
   d) Eligibility Worker, if applicable
5. Once the client is approved for Medi-Cal, update the Subscriber CIN field with the client's new Medi-Cal CIN. Do not update the Coverage Effective Date.
6. If the client is denied Medi-Cal coverage, leave the FE as setup and do not change the Subscriber CIN field.

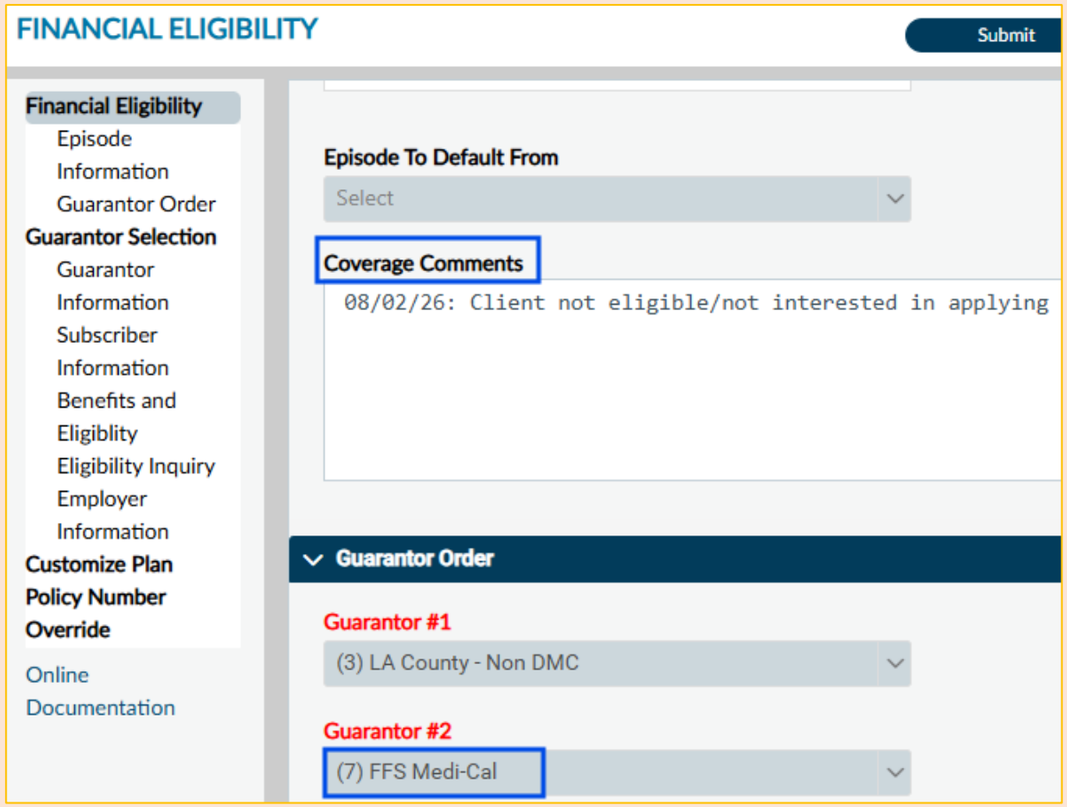

FINANCIAL ELIGIBILITY
Submit
Discard
Financial Eligibility
Episode
Information
Guarantor
Order
Guarantor
Selection
Guarantor
Information
Subscriber
Information
Benefits and
Eligiblity
Eligibility
Inquiry
Employer
Information
Customize Plan
Coverage Comments
Client is applying for Medi-Cal: Application Date:08/06/2026, Source:BenefitsCal, Application Number:1234567, Eligibility Worker:Jane Doe.
Guarantor Order
Guarantor #1
(7) FFS Medi-Cal
Guarantor #2
Select

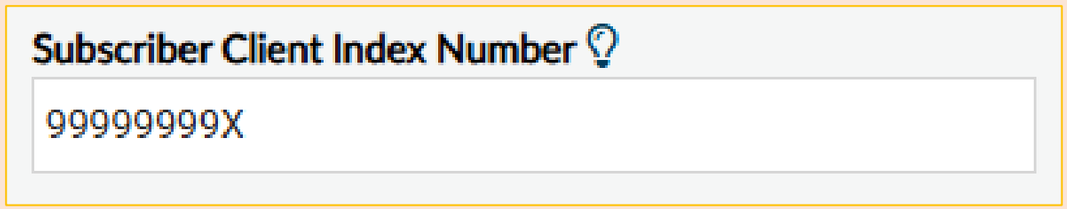

Subscriber Client Index Number
99999999X

Financial Eligibility Scenario Example

Scenario: Client is not eligible, no longer enrolled, and/or not interested in enrolling in Medi-Cal.

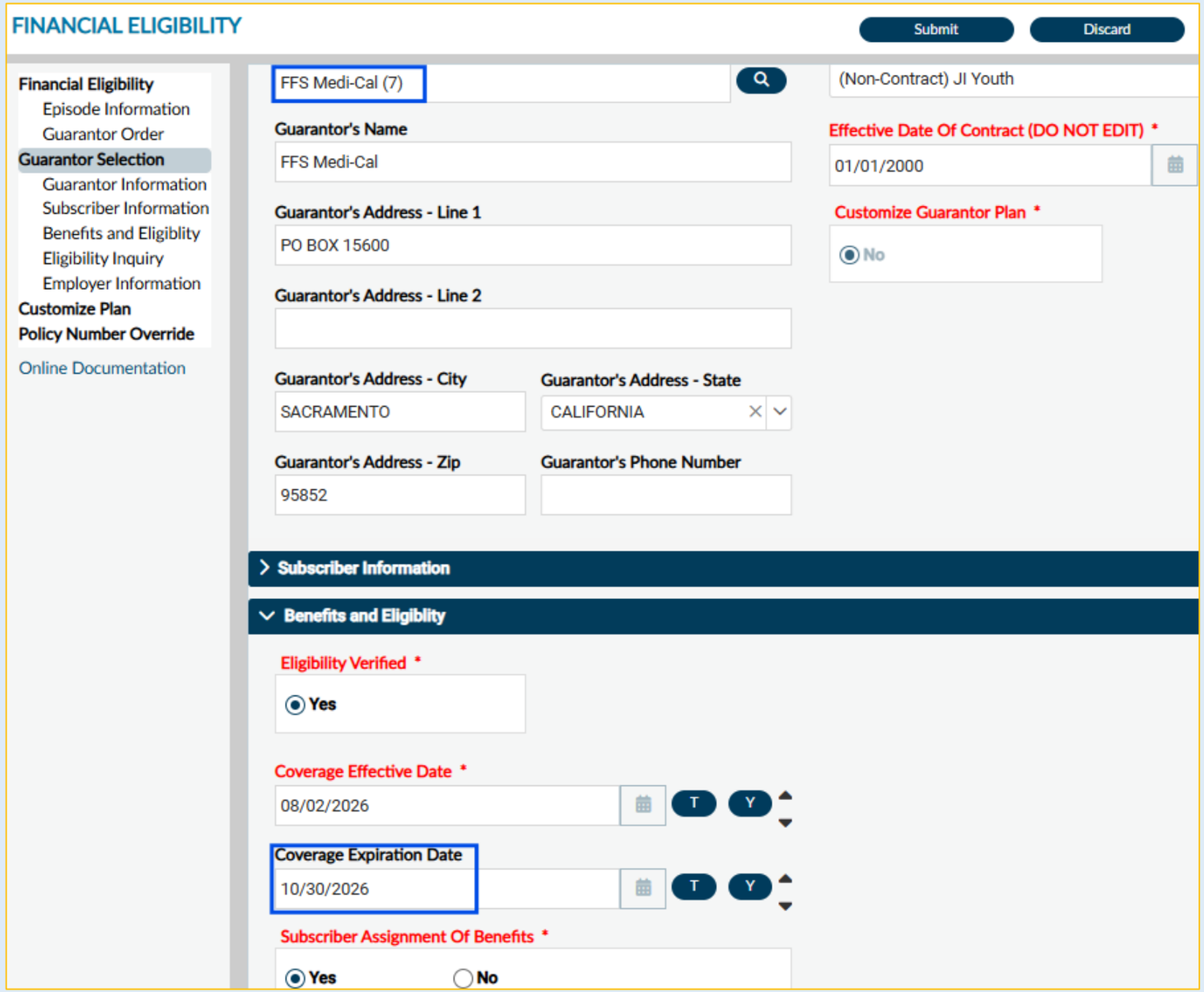
1. If the client had prior SUD treatment by the provider agency prior to incarceration and had the DMC and/or Non DMC guarantors on the FE:
    1. Do not delete the existing DMC and/or Non-DMC guarantor
    2. Enter the Coverage Expiration Date(s) as the day before the treatment start date for the DMC or Non-DMC guarantor(s).
2. Add the FFS Medi-Cal guarantor.
    a) Do not use the Non-DMC guarantor.
3. Enter the placeholder CIN (99999999X) in the Subscriber Client Index Number (CIN) field.
4. Enter the first day of treatment as the Coverage Effective Date.
5. Enter a comment in the FE Coverage Comments field indicating that the client is not eligible or not interested in applying.


FINANCIAL ELIGIBILITY
Submit
Financial Eligibility
Episode Information
Guarantor Order
Guarantor Selection
Guarantor Information
Subscriber Information
Benefits and Eligiblity
Eligibility Inquiry
Employer Information
Customize Plan
Policy Number Override
Online Documentation
Episode To Default From
Select
Coverage Comments
08/02/26: Client not eligible/not interested in applying
Guarantor Order
Guarantor #1
(3) LA County - Non DMC
Guarantor #2
(7) FFS Medi-Cal


Subscriber Client Index Number
99999999X

Post Release

- Once the client is released, the FFS Medi-Cal guarantor should have the Coverage Expiration Date updated to the last day of the client's incarceration.
  - If the client had existing DMC and Non DMC guarantors with Coverage Expiration Dates set to the day prior to incarceration, remove the expiration date as needed to reactivate the DMC and Non DMC guarantor(s) per the client's current eligibility status.
- If the client engages in SUD treatment post-release, the FE form should be updated per usual DMC-ODS standards and requirements.
- Do not delete the FFS Medi-Cal guarantor after the client leaves treatment and begins treatment at the provider agency post release.


FINANCIAL ELIGIBILITY
Submit
Discard
Financial Eligibility
Episode Information
Guarantor Order
Guarantor Selection
Guarantor Information
Subscriber Information
Benefits and Eligiblity
Eligibility Inquiry
Employer Information
Customize Plan
Policy Number Override
Online Documentation
FFS Medi-Cal (7)
(Non-Contract) JI Youth
Guarantor's Name
FFS Medi-Cal
Effective Date Of Contract (DO NOT EDIT) *
01/01/2000
Guarantor's Address - Line 1
PO BOX 15600
Customize Guarantor Plan *
No
Guarantor's Address - Line 2
Guarantor's Address - City
SACRAMENTO
Guarantor's Address - State
CALIFORNIA
Guarantor's Address - Zip
95852
Guarantor's Phone Number
Subscriber Information
Benefits and Eligiblity
Eligibility Verified *
Yes
Coverage Effective Date *
08/02/2026
T
Y
Coverage Expiration Date
10/30/2026
T
Y
Subscriber Assignment Of Benefits *
Yes
No

Additional Notes

- **KEY TAKEAWAY:** The FFS Medi-Cal guarantor must be on the Financial Eligibility for ALL JI youth clients, regardless of Medi-Cal enrollment.
- The DMC guarantor does not need to be added to the Financial Eligibility if the client has Medi-Cal.
  - However, if the client already had an open episode for the provider agency, do not delete the DMC guarantor – add a Coverage Expiration Date a day prior to the treatment start date.
- Current clients in Sage will need to have their Financial Eligibility forms updated to include the FFS Medi-Cal guarantor if they are still incarcerated and receiving services.
- Provider agencies should start entering the FFS Medi-Cal guarantor now. Any scenarios that are unclear or need support can be raised to SAPC Finance via the Request Billing Assistance form in the Sage Help Desk Portal.

Closing

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Drop-in Office Hours

- To provide additional support, the SAPC Finance team will host drop-in office hours for any agency staff who need support with JI youth billing. No registration is required and attendance is optional. Use the link below to join the Office Hours as needed.
- **Dates**
  - Wed., 7/22
  - Wed., 8/12
  - Wed., 9/2
- **Time:** 1:00-2:00 PM
- JI Youth Billing Office Hours Link
- The link to the Office Hours is posted on the SAPC Training Calendar.

Resources

- More information on the initiative can be found on the DHCS website at the following links:
  - DHCS Justice-Involved Reentry Initiative Main Page
  - DHCS JI Reentry Initiative Summary Sheet
- SAPC Justice-Involved Youth Billing Guide
- JI FFS Rates Matrix
- Sage Help Desk: Request Billing Assistance form for billing questions or support
- UM Service Authorization Helpline: (626) 299-3531 for service authorization support
- Program Questions: Tracy Atwater - TAtwater@ph.lacounty.gov