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SAPC INFORMATION NOTICE 19-03

Supersedes IN 18-12 Issued on September 20, 2018

August 8, 2019

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

FROM: John M. Connolly, Ph.D., M.S.Ed., Division Director *GT for JC*

SUBJECT: **FISCAL YEAR 2019-2020 RATES**

The Department of Public Health (DPH), Substance Abuse Prevention and Control (SAPC) received approval from the California Department of Health Care Services (DHCS) to modify the Fiscal Year (FY) 2019-2020 Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver rates for all levels of care, except Opioid Treatment Programs (OTP), as the State sets these rates.¹ This Bulletin outlines implementation of the new rates and corresponding standards as outlined in the FY 2019-2020 Rates and Standards Matrix, effective July 1, 2019 unless otherwise stated.

RATE INCREASE OVERVIEW

DMC-ODS American Society of Addiction Medicine (ASAM) levels of care (LOC), Client Engagement and Navigation Services (CENS), and Recovery Bridge Housing (RBH) rates increased to continue the shift of the Substance Use Disorder (SUD) system towards parity with mental and physical health systems, and to enable Network Providers to invest in improved patient outcomes and experience. SAPC procured an actuarial firm to evaluate FY 2018-2019 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. Due to the lack of interim cost report data and bundled claims based on the Healthcare Common Procedure Coding System (HCPCS), the FY 2019-2020 rates do not necessarily account for all costs associated with delivering enhanced DMC-ODS services.

¹ [DHCS MHSUDS Information Notice 19-016](#) or as subsequently modified by the State.

For FY 2019-2020, the percentage base allowable (excluding room and board, and documentation) increased between 2.7 and 56.6 percent depending on LOC. SAPC raised rates above the base for perinatal (+7.81%) and youth (+2.14%) specialized programs; direct services delivered by certified counselors (+6%), licensed-eligible services (+15%) and licensed practitioners (+20%); documentation time for all LOCs; travel time for approved field-based services; and added a new service rate (screening) and LOCs.

DMC STAFF MODIFIERS

A diversely trained and appropriately compensated workforce enhances the ability of patients to achieve positive and sustained treatment and recovery goals. SAPC added the following staff modifiers to motivate Network Providers to hire more Certified Counselors, Licensed-Eligible Practitioners, and Licensed Practitioners; encourage pre-licensed or pre-certified individuals to complete licensure and certification requirements in a timely manner and remain employed with community-based SUD treatment organizations; and support hiring of staff capable of delivering services to individuals in their preferred language (e.g., threshold languages, sign language). The chart below summarizes Staff Modifiers:

STAFF MODIFIERS		
STAFF	DEFINITION	INCREASE
Registered Counselor	In the process of certification by one of the National Commission for Certifying Agencies accreditation organizations recognized by DHCS. Certified Medical Assistants, Medical Assistants, and Licensed Vocational Nurses are included under this category.	Base Rate
Certified Counselor	Certified by one of the National Commission for Certifying Agencies accreditation organizations recognized by DHCS.	+6%
Licensed-Eligible Practitioners	Individuals registered with their respective state board (i.e., California Board of Behavioral Sciences, California Board of Psychology) and authorized to practice under the license of a fully-licensed practitioner with proper supervision and limited to the following: <ul style="list-style-type: none"> • Associate Social Worker • Associate Marriage and Family Therapy • Associate Professional Clinical Counselor • Psychological Assistant • Registered Psychologist 	+15%

<p>Licensed Practitioners</p>	<p>Individuals licensed with their respective state board (i.e., California Board of Behavioral Sciences, California Board of Psychology) and authorized to practice and limited to the following:</p> <ul style="list-style-type: none"> • Physician (MD or DO) • Nurse Practitioner • Physician Assistant • Registered Nurse • Registered Pharmacist • Clinical Psychologist • Licensed Clinical Social Worker (LCSW) • Licensed Professional Clinical Counselor • Licensed Marriage and Family Therapist 	<p>+20%</p>
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SAPC’s electronic health record (EHR), Sage, allows the enhanced rate for direct service delivery based on the *User Creation Form* submitted by the Network Provider. If the status of an employee changes (i.e., Registered to Certified Counselor, Associated Social Worker to LCSW), the rate increase is effective on the date when the Network Provider electronically submits the updated, accurate, and complete *User Creation Form* to SAPC. SAPC will not retroactively pay the enhanced rate in the event of a delayed submission of this form from Network Providers. Sage will deny claims using the “Procedure is Not on Fee Schedule” reason for any direct service employee who has not submitted the *User Creation Form*. Updated *User Creation Forms* are required for all direct service employees by August 15, 2019 to avoid reimbursement delays.

For ASAM 1.0-AR, 1.0 and 2.1 LOCs, select the enhanced rate at the time of claims submission that corresponds to the credentials of the individual delivering the service.

For residential day rate locations (ASAM 3.1, 3.3 and 3.5) additional steps are required:

1. Submit the *Staff Modifier Attestation Form* for each site address and LOC, and receive approval for a qualifying staffing pattern that meets the requirements based on the table below.
2. Enter claims for all services delivered each day that identify the credentials of the individual delivering the service. Submission of per service claims require use of \$0.00 codes (i.e., Treatment Plan-T1007, Group Counseling-H0005) in addition to the Clinical Day Rate (e.g., H0019) and Room and Board (e.g., S9976).
3. Ensure that the total hours entered match the minimum weekly requirement for the LOC, except when otherwise documented in the patient’s file due to other factors such as medical needs.

Withdrawal Management (WM) LOCs (1-WM, 2-WM, 3.2-WM, 3.7-WM, 4-WM) are not eligible for these modifiers given current staffing requirements.

DAY RATE DIRECT SERVICE STAFFING PATTERN PER SITE						
STAFF	RESIDENTIAL LOC	MINIMUM CRITERIA	RATE INCREASE			
			+20%	+15%	+6%	
Licensed Practitioner	ASAM 3.1, 3.5	Allowable licensed position(s) on-site at least 40-minutes per week for supervision and/or the delivery of direct services per LAC DMC-ODS dedicated bed.	✓	✗	✗	
	ASAM 3.3	Allowable licensed position(s) on-site at least 60-minutes per week for supervision and/or the delivery of direct services per LAC DMC-ODS dedicated bed.	✓	✗	✗	
Licensed or Licensed Eligible Practitioners	ASAM 3.1, 3.5	Allowable licensed-eligible position(s) on-site for the delivery of a total of at least 10-minutes of individual, family or group counseling services per week per LAC DMC-ODS dedicated bed; allowable licensed position(s) could be used in lieu of licensed-eligible position(s) when this time requirement is added to the licensed practitioner time requirement (if claimed).	✓	✓	✗	
	ASAM 3.3	Eligible position(s) on-site for the delivery of a total of at least 20-minutes of individual, family or group counseling services per week per LAC DMC-ODS bed; allowable licensed position(s) could be used in lieu of licensed-eligible position(s) when this time requirement is added to the licensed practitioner time requirement (if claimed).	✓	✓	✗	
Certified Counselors	ASAM 3.1, 3.3, 3.5	40% of counselors delivering direct services on-site are certified and 50% by July 1, 2020.	✓	✓	✓	

Salary Investment: Increased rates must be allocated to support more equitable, competitive, and livable wages for staff at all levels with enhanced qualifications, including sign-language or bilingual capability. During the monitoring and cost reporting processes, Network Providers must verify appropriate salary investments in alignment with the enhanced rates before using these funds to off-set other costs or making investments in other business and/or clinical improvements.

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 help providers meet these expectations, in addition to other local requirements (i.e., [One Key Question](#) 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), automatically receives this enhanced rate for allowable DMC-ODS services. These modifiers do not apply to supplemental PPW services for transportation and childcare as the State sets these rates. PPW sites that also serve pregnant/parenting youth only receive the PPW modifier.

SITE QUALIFICATIONS FOR POPULATION MODIFIERS		
Population and Modifier	Criteria	Increase
<p>Youth 12-17 years of age</p> <p>“HA”</p>	<ul style="list-style-type: none"> • Experience serving youth (ages 12 through 17) in 2 of the last 7 years. • Demonstrated experience using evidence-based practices that are specific to youth. • Counselors and/or LPHAs 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. 	<p>2.14%</p>
<p>Pregnant or Parenting Women</p> <p>“HD”</p>	<ul style="list-style-type: none"> • 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. 	<p>7.81%</p>

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 as follows, and commencing upon Sage configuration unless otherwise noted in the attached instructions form:

Service-Based LOC: For ASAM 1.0-AR, 1.0 and 2.1, up to 10-minutes of documentation time per patient, per service for any HCPCS code offered within the LOC in one-minute units is allowable. This includes individual- and group-based 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 automatically reimburses a flat rate of \$19.03 per person per day for Network Providers who document service delivery at the service- or daily-level, and who submit and follow an agency-wide Policy and Procedure (P&P) reflecting this standard. Weekly documentation in residential settings does not receive the documentation bonus. SAPC will phase-out weekly notes beginning on July 1, 2020, and this step helps prepare for this transition and improve the quality of documentation in LOCs reimbursed by a day rate.

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 face-to-face service to avoid disallowance. SAPC will monitor this requirement.

TRAVEL TIME

When providing Outpatient (ASAM 1.0-AR, 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 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., Antelope Valley, 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. SAPC will not reimburse for travel time for services delivered between July 1, 2019 and the date of configuration in Sage.

NEW ASAM LEVELS OF CARE

To expand patient access to WM services, SAPC added new DMC reimbursable LOCs: Ambulatory WM with Extended On-Site Monitoring (ASAM 2.0-WM), Medically Monitored Inpatient WM (3.7-WM), and Medically Managed Inpatient WM (4-WM).

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. To support implementation, SAPC is piloting payment during FY 2019-2020 for Network Provider screenings completed at contracted DMC certified/licensed or field-based services location. Providers must also complete the new *Referral Connections Form*, which outlines attempts to make an appointment for a full ASAM Assessment and the associated outcome. Maximum payment is up to 15-minutes or \$30.00 in all LOCs; the screening is not separately reimbursable when also claiming the Clinical Day rate on the same day.²

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), unless the individual misses the scheduled appointment.

SAPC will not reimburse for screenings conducted delivered between July 1, 2019 and the date of configuration in Sage which includes automation of the *Youth Engagement Screener* and *Referral Connections Form Log*, and completed Network Providers training on reporting criteria.

OPIOID TREATMENT PROGRAMS

National Drug Codes

Under the DMC-ODS, OTPs must offer Buprenorphine-Mono, Burprenorphine-Naloxone, Disulfiram, and Naloxone in addition to methadone.³ The National Drug Code (NDC), according to DHCS' [Information Notice 19-033](#) and the [NDC MAT List](#), must be included in all claims for additional Medications for Addiction Treatment (MAT), excluding methadone, beginning July 1, 2019. Furthermore, to enable Burprenorphine 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.⁴

² 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.

³ [DHCS MHSUDS Information Notice 18-036](#) or as subsequently modified by the State.

⁴ [DHCS MHSUDS Information Notice 15-028](#) or as subsequently modified by the State.

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.

RECOVERY BRIDGE HOUSING

To reflect costs to meet RBH requirements, rates for adult and PPW locations have increased to \$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 Pregnant and Parenting Specialization Enhanced Rates and Staffing Modifiers matrix and the most current version of the Provider Manual.

CLIENT ENGAGEMENT AND NAVIGATION SERVICE

To reflect costs to meet CENS requirements, hourly rates for approved co-locations have increased to \$73.70 per CENS counselor. This enhanced rate particularly supports more robust documentation and transportation requirements.

IMPLEMENTATION AND CONTRACT MANAGEMENT

The DPH-SAPC [Provider Manual](#) and the [Sage Companion Guide](#) include additional details on Network Provider requirements including treatment and billing requirements. The next edition will include additional information as outlined herein.

Questions or requests for additional information should be sent to Michelle Gibson, Acting Deputy Director for Treatment Services at (626) 299-3244 or migibson@ph.lacounty.gov with copy to Judy Argueta-Cardenas at jargueta@ph.lacounty.gov.

Attachments

JMC:mg