March 29, 2023
DPH-SAPC CAL-AIM PREPARATION
PROVIDER PAYMENT REFORM MEETING

PowerPoint Presentation and Video Recording

This payment reform meeting introduced Draft FY 23-24 Rates where providers were requested to provide comment to SAPC by April 11th. Those questions are also included herein.

<table>
<tr><th></th><th>QUESTIONS</th><th>ANSWERS</th></tr>
<tr><td>1.</td><td>Where can providers access the information provided during the 3/29/23 meeting including the PowerPoint, new rates, incentives, and capacity building information?</td><td>Information can be accessed by visiting the following links:
Payment Reform PowerPoint Presentation
Capacity Building
Incentive Information
Draft FY 23-24 Rates
Video Recording</td></tr>
<tr><td>2.</td><td>Which levels of care (LOC) are considered tiered?</td><td>Tiered levels of care include:
Outpatient
Intensive Outpatient (IOP)
Outpatient Withdrawal Management (OP WM)
Residential (RES)
Non-tiered levels of care include:
Inpatient Withdrawal Management (INP WM)
Opioid Treatment Programs (OTP)
Recovery Bridge Housing (RBH)
Tiers:
Tier 1 (1-2 LOC)
Tier 2 (3-5 LOC)
Tier 3 (6+ LOC)
Only RBH and OTP MAT levels of care have perinatal specific rates.</td></tr>
<tr><td>3.</td><td>How did SAPC calculate Tiered Levels for each Agency?</td><td>SAPC reviewed agency contracted Levels of Care (LOC) that were utilized in FY 22-23 to determine your agency's tier level.
For example, for FY 22-23:
<table>
<tr><th>Contracted LOC</th><th>Utilized LOC</th><th>Tier Level</th></tr>
<tr><td>Agency A:
ASAM 3.1
ASAM 3.5
ASAM 3.2-WM</td><td>ASAM 3.1
ASAM 3.5
ASAM 3.2-WM</td><td>Tier 2</td></tr>
<tr><td>Agency B:
ASAM 3.1
ASAM 3.5
ASAM 3.2 WM</td><td>ASAM 3.1
ASAM 3.5</td><td>Tier 1</td></tr>
</table></td></tr>
</table>

			RBH* (non-tiered)		
			Agency C: ASAM 1.0 ASAM 2.1 OTP* (non-tiered)	ASAM 1.0 ASAM 2.1	Tier 1
4.	a. What Levels of Care were considered in determining Tiers? b. How can providers have their tier level re-evaluated for FY23-24? c. Are tiers based on LOCs only and not the number of provider sites?	a. The following levels of care were used to determine tiers: - ASAM 0.5 - Early Intervention - ASAM 1.0 - Outpatient - ASAM 2.1 – Intensive Outpatient - ASAM 1 - WM - ASAM 3.1 - Residential - ASAM 3.3 - Residential - ASAM 3.5 - Residential - ASAM 3.2 - WM - ASAM 3.7 - WM - Inpatient - ASAM 4.0 - WM - Inpatient - Opioid Treatment Program - Recovery Bridge Housing - Accreditation b. Tier levels were determined based on the services that are contracted and utilized. A letter indicating what tiered level your agency qualified for was sent. Any inquiries related to the tiers can be sent to SAPC-Finance@ph.lacounty.gov. c. Tiers are based on level of care and not the number of provider sites.		
5.	What type of accreditation would count as an additional level of care?	Examples of accreditation that count as a level of care include the Commission on Accreditation of Rehabilitation Facilities (CARF) and The Joint Commission on Accreditation of Healthcare Organizations (JCAHO).			
6.	Will SAPC be providing updated 837P and 837I Companion Guides?	Yes, updated companion guides will be provided.			
7.	How should providers prepare for the transition period for fiscal viability?	Providers should ensure they have visibility into organizational costs and expected revenue. SAPC has a Capacity Building Initiative and a training with CIBHS to help providers set up these systems.			
RATES					
8.	a. Are the rates presented today higher than what the State recommended? b. Do the percentage rate increases represent a	a. The rates presented today are Draft FY 23-24 rates. They are released in draft form for public comment. SAPC presentation does not include the Department of HealthCare Services (DHCS) rates in the presentation. b. That is correct, they represent the day rate increase only and not the room & board.			

	comparison of the day rate only from FY 22-23 to FY 23-24? c. Will Sage reflect these rate changes once they go into effect? d. Do these rates reflect group pricing? e. When will these rates become effective?	c. Sage will be updated once the FY 23-24 rates are finalized. The Provider Network will be notified of this update. d. Group pricing has been factored into the rate setting. e. The rates will become effective July 1, 2023.
9.	a. On the draft rates, License Eligible- Practitioner of the Healing Arts (LE-LPHA) are reimbursed at the same rate as Licensed LPHAs while the market rate for licensed practitioners is much higher. Is there any consideration for this difference? b. Why are rates vastly different between LPHAs and psychologists for the same services?	a. Generally, provider types with lower credentials are reimbursed at lower rates. By reimbursing LE-LPHAs at the LPHA rate, the state and SAPC are providing higher rates of reimbursement for these services. This higher rate is intended to help cover costs of employing LE-LPHAs (e.g., supervision time, mandatory trainings). b. These rates differentials are set in part by the state. Given the difference in education and clinical capabilities, the personnel costs for some provider types, including psychologists are higher. As a result, the corresponding rates are higher. If you are using your psychologist workforce in the same manner you are using other workforce segments, you may want to examine how you are utilizing their advanced training and clinical capabilities (e.g., focus on patients with more co-occurring conditions; higher risk patients).
10.	Will the room & board rate be included in the daily rate?	A $25 Room and Board rate has been added to the matrix.
11.	Is there information on bundled versus unbundled rates in residential and inpatient settings?	SAPC is awaiting clarity on bundled vs unbundled rates from DHCS for residential and inpatient settings: Care Coordination, Recovery Services and MAT Services. Our position is that these should be unbundled from the residential day rate and will provide subsequent clarity on the extent to which we can accommodate a rate for Care Coordination, Recovery Services and MAT Services outside of the residential day rate.
12.	Are Outpatient rates inclusive of Early Intervention for Youth and Recovery Support Services?	Yes, Outpatient rates are both inclusive of Early Intervention for Youth and Recovery Support Services.
13.	When do you anticipate Provider Connect to be set up with new Rates?	We are working on our configuration plan now and will provide dates as information becomes available. We understand that impact that cut-over and blackout periods may have on providers and are working to minimize the duration of both periods.

14.	Will the MAT, Care Coordination and Recovery Services be standalone rates for OP and IOP?	Medication Addiction Treatment services are paid out under the same rates for OP and IOP under their respective performing provider type. Care Coordination and Recovery Services are paid out under the rate for OP under their respective performing provider type.
DOCUMENTATION		
15.	a. Was documentation time previously billable? b. Will there still be billable documentation time?	a. Yes, please see SAPC IN 22-13, page 4 and the accompanying rates matrix. b. In accordance with the Draft Rates provided, there documentation is not separately billable. However, increased rates account for 40% direct services—which would allot 60% for activities including documentation within the updated rate.
16.	The Draft Matrix states that assessments can longer be done by registered or certified counselors. Is that being reevaluated?	H0001 and H0049 HCPCS are billable as assessments by registered and certified counselors.
CONTRACTS		
17.	Will there be an increase in funds available to raise wages for staff to support retention of a more skilled workforce?	SAPC is offering increased rates across services with the intention to enable providers to be able use this increased revenue to raise wages and engage in other efforts for workforce recruitment, retention, and development. SAPC is also offering capacity building funds to support registered counselors to pay for the necessary coursework to get certified.
18.	Will providers receive an automatic increase in their contract limit based on the new rates?	SAPC will be initiating contract increases for FY 23-24 that will likely be processed in the early part of the new FY. We ask that agencies be responsive to SAPC for the requests for any required budget documents to expedite that process – again look out for correspondence on this early in the new FY. In the interim, providers have the current annual contract allocation available to bill against on July 1. In the future, agencies may always submit an amendment request once they have hit 60% contract utilization.
19.	Will future audits shift focus to the cost allocation model?	Yes, auditing processes will change to model fiscal requirements for CalAIM. SAPC is working with auditor control to implement CalAIM models for fiscal reporting.
20.	What type of fiscal reporting will be required under CalAIM?	SAPC is waiting for final guidance from DCHS regarding fiscal reporting. Once DHCS releases final guidance, SAPC will release a Bulletin. However, we do anticipate using the SAPC Fiscal Reporting tool which is much more streamlined.

21.	Will the 50% counselor ratio be based on each individual site, or all the sites combined?	SAPC is currently reviewing this incentive benchmark, but the certified counselor benchmark would be across the agency (all sites combined).
	BILLING	
22.	What is the estimated amount of lost billable time between the current structure and under CalAIM?	SAPC understanding is that DHCS used 40% productivity to develop the rates, i.e., 40% per staff person time is spent on billable services. SAPC cannot translate that specifically to answer this question. CIBHS will be providing a projecting and revenue sheet through their upcoming Focus on Finance training to help determine your current level of productivity which can be used to project for the changes and planning purposes. Once rates are finalized, additional trainings will be provided
23.	What prevents providers from billing all services under the employee that has a higher status such as LPHA or physician?	While SAPC will continue to explore technological ways to prevent and detect billing aberrations, billing for services for someone who did not perform a service is considered fraud. This is a severe ethical breach and subject to contract action (including potentially termination depending on the circumstances) and financial recoupment.
24.	Can Care Coordination only be billed by an LPHA for outpatient services?	Under CalAIM payment reform, there are some new/different codes for services than we have historically used. Some of these codes can only be used by licensed provider types. Others can be used by both licensed and unlicensed provider types. The matrix includes different codes that can be used for Care Coordination by licensed and unlicensed provider types. Specifically, H0006 will no longer be the Care Coordination code. Please review the draft Rates and Standards Matrix to identify codes that can be used by Licensed vs. Unlicensed provider types.
25.	Where do medical assistants and Licensed vocational nurses (LVN) fall in the practitioner column?	Medical assistants and LVNs are currently not included as allowable practitioners with DMC-ODS billing methodology. We are actively advocating that DHCS include them, but they are not currently an allowable billable practitioner type. The current rates matrix doesn't include LVNs because they are not permitted to bill by state regulations.
26.	If a licensed social worker and counselor both offer services, how should they code for billing?	Different providers should use the HCPC or CPT codes that are consistent with the services they are delivering. The rates for these services will depend on the taxonomy codes of the provider types. LCSWs and SUD Counselors have different Taxonomy codes. For secondary providers, it will be critical that you configure your EHR systems to bill the appropriate amounts based on the finalized rates by provider type on the Rates & Standards Matrix.
27.	a. Since Pregnant and Parenting (PPW) modifiers	a. PPW HD modifiers will remain under CalAIM and must be used on corresponding claims. SAPC is currently identifying how PPW authorizations

	will no longer be in use in OP/ IOP/ RES settings, will PPW authorization still be assigned? b. Will providers continue to create treatments per approved authorizations?	will be selected under CalAIM. b. SAPC will provide training starting in June on how Primary Sage Users will enter services within ProviderConnect NX. There will be a difference in how services are entered, however the same values and fields will be used to claim.
MEDICATION FOR ADDICTION TREATMENT		
28.	a. How long can patients remain in an opioid treatment withdrawal program? b. Will off label use of Medication Assisted Treatment (MAT) for amphetamine use disorder be reimbursed? c. How will SAPC identify the level of clinician providing counseling services on the claim for OTPs? Will a provider type modifier be required?	a. There is no limit on SAPC contracted Opioid Treatment Program (OTP) services as long as the patient meets medical necessity. For Withdrawal Management levels of care, these episodes are limited to up to 14 days contingent upon medical necessity for Withdrawal Management services. b. There are no restrictions on using off label medications for MAT and substance use disorders (SUD). c. Services will be claimed through taxonomy/NPI code.
29.	Will the increased availability of Naloxone affect reimbursements through the naloxone distribution project?	No, there is no indication that the State will make any changes to the naloxone distribution project. The network should make every effort to provide naloxone within healthcare settings as we serve a high-risk population.
INCENTIVES & CAPACITY BUILDING		
30.	Are the incentive payments for CalOMS and screening being discontinued?	SAPC is evaluating the incentives and considering including a data-focused incentive.
31.	Are capacity building incentives in place for a counselor that was certified while employed at the provider facility?	Capacity building would not be available for someone already certified and employed. More details needed to be able to fully respond this question.
32.	Where can providers acquire additional information regarding incentives?	Please review the presentation and the attached documents that were added to the chat, also included on our SAPC website.
Questions Received During Comment Period		

33.	The rates on the rate matrix for providers stay the same for most CPT codes with only a slight increase based on the ASAM level. This is concerning because different CPT codes have different durations of service, yet they all have the same rate. On Tab OPT Tier 2 under "Telephone Assessment and Management Services" lines 137-139 indicate the same pay rate for different durations of the session i.e., a psychologist will get paid 101.91 regardless of whether they do 5-10 minutes or 21-30 minutes. Other services have context that states each additional hour or 15 minutes, but the way this is phrased does not lead to the same result.	SAPC Finance has been continuing to review and make updates to the CPT codes based on provider feedback. For codes that have longer duration, the rates will be increased to reflect that duration.
34.	There is some variation in the hourly rate in other CPT codes as well based on the duration in the service. For example, under Tier 2 Outpatient/IPT Tab, according to the matrix, Line 6, an LMFT will get paid 61.98 for providing 26 to 50 minutes of family psychotherapy and get paid the same rate for providing 15 minutes of multiple family group psychotherapy (Line 8) or even 10 minutes of Telephone Assessment and Management. (Line 18)	SAPC Finance has been continuing to review and make updates to the CPT codes. For codes that have longer duration, the rates will be increased to reflect that duration. While providers will ultimately bill 1 unit of the CPT codes (ex 90843: Psychotherapy, 45 mins), the rate for these codes will be increased to reflect the duration of time. In the example provided, the Tier II rate for an LMFT to deliver 90834: Psychotherapy, 45 mins would be $61.98 x 3= $185.94.
35.	a. Will we be able to provide Recovery Services (RS) in the next fiscal year under our SAPC DMC contract?	a. Yes, Recovery Services will continue to be part of the continuum provided within the SAPC network.
36.	Client group education has and continues to be an essential component of SUD treatment. However, it is not referenced in the draft 23/24 rates as it has been in current FY22-23 Rates Matrix under Code T1012-Patient Education. Are	All group counseling services have been consolidated to H0005.

	there plans for include and/or reasons it is excluded	
37.	a. How can we apply for Capacity Building funding. b. Does capacity building funding require a contract augmentation? Can this funding support staff labor?	SAPC will incorporate Capacity Building and Incentive guidelines in the Rate Matrix.
38.	a. How can providers who are experiencing Sage billing/claim errors (claims only submitted through November) and cannot demonstrate 60% utilization prepare for CalAIM changes and program needs? b. Are there other ways we can ask for contract limits to be increased for FY23/24? According to preliminary projections our current contract limit will not sufficient**.**	SAPC is currently assessing all provider information, including levels of care, tiers, number of sites and potential Capacity Building/Incentive utilization and will amend all contract amounts for FY 23/24. In the interim, providers have the current annual contract allocation available to bill against on July 1. In the future, agencies may always submit an amendment request once they have hit 60% contract utilization.

Links provided:

DPH COVID-19 Website: http://publichealth.lacounty.gov/media/Coronavirus/