



Fiscal Year (FY) 2023-2024

Payment Reform: Incentive Metrics Package

April 2024 | Version 2.0



PAYMENT REFORM: INCENTIVE METRICS PACKAGE

Payment reform in July 2023 serves as the first step away from a volume-based and towards a value-based reimbursement structure for specialty substance use disorder (SUD) systems. This will require defining performance metrics that are designed to validate whether provider agencies deliver, and patients receive, outcome-focused services that translate to value-based care. Therefore, the Los Angeles County Department of Public Health's Division of Substance Abuse Prevention and Control (DPH-SAPC) designed an incentive metrics package to begin to move the SUD system towards this new model. While these metrics are still under development, the 5 categories below are the key categories of focus under DPH-SAPC's incentive structure:

1. Workforce Development: Recruitment, Retention and Training
2. Access to Care: Reaching the 95%
3. Medications for Addiction Treatment (MAT)
4. Optimizing Care Coordination
5. Enhancing Data Reporting

Agencies can choose to participate in any or all of the following efforts.

DPH-SAPC strongly encourages agencies to also participate in the capacity building package to obtain additional financial resources to meet these metrics.

What is capacity building?

- Funds that DPH-SAPC pays a treatment provider either in advance to ensure start-up funds to do something or after the fact to compensate a treatment provider for completing something. Capacity building is designed to help prepare providers to meet select metrics and maximize a supplemental incentive payment. Providers need to verify expenditures or submit a deliverable for full payment.

What are incentives?

- Funds that DPH-SAPC pays a treatment provider after achieving a performance metric associated with the incentive payment. Providers need to verify completion and submit relevant data for full payment. Providers keep all funds if the metric is met and do not submit expenditure verification. The funds can be used to reinvest in the program as needed, including to support activities associated with the metric.

Note: Incentive payments will be distributed through your DMC-ODS Contract, therefore, notify SAPC Contracts and Compliance if a contract augmentation is needed to support participation. DPH-SAPC will follow its pre-established contract augmentation process and provider agencies will need to provide information on what efforts you plan to participate in to determine the augmentation amount.



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Table 1: Incentive Metrics – The following is a description of available incentive metrics efforts.

Incentive Category		Quality Incentive Metric	Measure	Funding
1.	Workforce Development	1a The percent of certified SUD counselors is at least 40% among all SUD counselors employed within an agency on June 30 th of the fiscal year	Numerator is # of certified SUD counselors and denominator is # of all SUD counselors delivering direct services according to Sage/NACT	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3
		1b The agency-wide ratio for LPHA-to-SUD counselor ratio is at least 1:15 (i.e., 1 LPHA for every 15 SUD counselors) on June 30 th of the fiscal year	<p>To determine the number of LPHA needed, divide the number of SUD counselors by 15. Round up the calculated number to determine the number of LPHA's required to maintain a 1:15 LPHA-to-SUD counselor to receive the incentive.</p> <p><i>Example 1: 38 SUD counselors and 2 LPHAs (38/15=2.53), this means that the minimum number of LPHAs needed to receive incentive (3) IS NOT MET, since there are only 2 LPHAs.</i></p> <p><i>Example 2: 56 counselors and 4 LPHAs (56/15=3.73), this means the minimum number of LPHAs needed to receive the incentive IS MET since there are 4 LPHAs.</i></p>	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3



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2.	Access to Care	2a	Meet specified “R95 Champion” criteria by June 30 th of the fiscal year	To qualify as a R95 Champion, implement at least all components of 2C-1, 2C-2, 2D-1 and 2D-2 and one other full R95 criteria specified in the capacity building document	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3
			At least 50% of clients agency-wide with opioid (OUD) and/or alcohol (AUD) use disorder within the fiscal year either receive MAT education and/or Medication Services that include MAT* *NOTE: OTP settings must ensure that at least 50% of clients with AUD either receive MAT for AUD education and/or Medication Services that include MAT for AUD in order to meet this incentive benchmark	Numerator is the applicable MAT / Medication Service Code ¹ and/or H2010M (MAT Education). Denominator is clients with OUD (F11.*) and/or AUD (F10.*) diagnosis	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3
3.	Medications for Addiction Treatment (MAT)	3b	At least 50% of clients served agency-wide within the fiscal year receive naloxone	Numerator is # of clients that received naloxone ² (by prescription or via distribution documented in the record) at a given agency during a FY and denominator is total # of clients served	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3

¹ Applicable MAT / Medication Service Codes are, for non-OTP settings: 90792, 99202 through 99205, 99212 through 99215, 99441 through 99443, H0034, and H2010M. Applicable codes for OTP settings are S5001AB, S5001C, 90792, and H0034 specific to AUD medications.

² For non-OTP levels of care, when naloxone is provided to a patient, providers register that the patient received naloxone by submitting a claim that includes the H2010N service code associated with documentation that naloxone was prescribed and/or distributed on the date of service of that claim. Within OTPs, the service codes that count towards the numerator of this metric are S5000D and S5001D.



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4.	Optimizing Care Coordination	4a	At least 75% of clients served agency-wide within the fiscal year have a signed Release of Information (ROI) form to share information with internal (other SUD) or external entities (e.g., physical or mental health entities)	Numerator is # of clients with a signed ROI form and denominator is total # of clients served	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3
		4b	At least 30% of clients within a given agency during a fiscal year are referred and admitted to another level of SUD care within 30 days at discharge	Numerator is the # of clients referred to other level of care at discharge and denominator is # of clients discharged	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3
5.	Enhancing Data Reporting	5a	At least 30% of CalOMS admission and discharge records agency-wide within the fiscal year are submitted timely and are 100% complete	Numerator is the # of CalOMS admission and discharge records completed 100% and submitted timely per SAPC's HODA Branch's Data Quality Report Denominator is the # of all CalOMS admission and discharge records submitted	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3

INVOICE PROCESS

Once an agency has sufficient documentation that the above metric(s) are met in accordance with the above requirements, and any subsequent guidance, submit *Invoice #3 – Incentive Metrics Completion Verification* and provide relevant justification and substantiating documents for SAPC review, approval, and payment.