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SAPC BULLETIN 23-07
Supersedes Information Notice 22-13

June 21, 2023

TO: Substance Use Disorder
Contracted Treatment Providers

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

SUBJECT: **FISCAL YEAR 2023-2024 RATES AND PAYMENT POLICY UPDATES**

The California Advancing and Innovating Medi-Cal (CalAIM) Initiative expands on the opportunities created in 2017 when the Los Angeles County Department of Public Health’s Division of Substance Abuse Prevention and Control (DPH-SAPC) launched the California Department of Health Care Services’ (DHCS) Drug Medi-Cal Organized Delivery System (DMC-ODS) waiver. A key component and opportunity under CalAIM is behavioral health payment reform to move reimbursement for substance use disorder (SUD) treatment and related services from a cost-basis toward a more value-based reimbursement model.

DPH-SAPC is issuing this bulletin under the authority of the Los Angeles County Board of Supervisors and as described in paragraph 3.A., which states “Contractor shall adhere to any and all Provider Network Bulletins as issued by SAPC from time to time throughout the term of this Contract, available at the following link:

<http://publichealth.lacounty.gov/sapc/NetworkProviders/Regulations.htm>.”

There are several significant CalAIM related changes that will impact how providers submit Drug Medi-Cal (DMC) treatment and related services claims and receive reimbursements. DPH-SAPC has conducted discussions with contracted providers on these changes and will continue to provide support and technical assistance during this transition.

The Fiscal Year (FY) 2023-2024 changes include, but are not limited to:

- Optional Capacity Building and Incentive funds.
- Tiered rate assignments at the agency-level impacting most levels of care.
- Transition to a Fee-for-Service rate that no longer includes an end-of-year cost reconciliation process.
- Practitioner-level rates for outpatient levels of care, including registered and certified counselors.
- Inclusion of Current Procedural Terminology (CPT) along with Healthcare Common Procedure Coding System (HCPCS) Level II.
- Use of a separate invoicing system outside of Sage-EHR for select benefits under the DMC-ODS treatment contract for approved providers. This applies to the following services:
 - *Sexual Reproductive Health Specialists*
 - *Capacity Building and Incentive funds*
 - *Contingency Management (Recovery Incentive Program) start-up funds.*

This SAPC bulletin, effective July 1, 2023, outlines the implementation of the new rates under payment reform and includes other important payment-related information.

FISCAL YEAR 2023-2024 RATES

In accordance with Paragraph 6(E), “Invoices and Payments” of your contract, “For DMC-ODS services, payments shall be made in accordance with the rates as described in the most current version of the Rate Matrix available at the following link:

<http://publichealth.lacounty.gov/sapc/NetworkProviders/Regulations.htm>.”

The Rate Matrix will be effective July 1, 2023, after DPH-SAPC has reviewed and analyzed all DHCS bundled rate categories; stratified rates by tier, American Society of Addiction Medicine (ASAM) level of care, and practitioner type (outpatient only); and other programmatic, clinical, and operational considerations needed to ensure an effective and fiscally sustainable specialty SUD treatment system.

DHCS Bundled Rate Categories	Included Levels of Care
Inpatient Withdrawal Management (WM)	ASAM 3.7-WM ASAM 4-WM
Residential	ASAM 3.1 ASAM 3.3 ASAM 3.5 ASAM 3.2-WM

Outpatient	ASAM 0.5 ASAM 1.0 ASAM 2.1 ASAM 1-WM ASAM 2-WM
Opioid Treatment Program	OTP

TIERED RATES AND TIER ASSIGNMENT METHODOLOGY

DPH-SAPC established a tiered rate system for specific levels of care as outlined in the table below. The tiered rate system establishes higher rates for providers that offer a more expansive continuum of services and accounts for higher associated costs and incentivizes the expansion of services within the organization to facilitate improved and more coordinated care.

Tiered Rate	Non-Tiered Rate
<ul style="list-style-type: none"> • Outpatient (ASAM 0.5, 1.0) • Intensive Outpatient (ASAM 2.1) • Outpatient WM (ASAM 1-WM, 2-WM) • Residential (ASAM 3.1, 3.3, 3.5) • Residential WM (3.2-WM) • Care Coordination • Recovery Services 	<ul style="list-style-type: none"> • Inpatient WM (3.7-WM, 4-WM) • Opioid Treatment Programs • Recovery Bridge Housing

Providers were assigned to one of three tiers based on their contracted and utilized levels of care according to FY 22-23 billing activity where Joint Commission or Commission on Accreditation of Rehabilitation Facilities (CARF) are counted as a level of care to reflect its value ensuring delivery of quality care and incentivize expanded network participation.

Providers must maintain their accreditation to continue to receive this credit in their tier determination. Lapse of accreditation may result in the reassessment and determination of a provider’s assigned tier.

DPH-SAPC will conduct and reassess a provider’s contracted and utilized levels of care and accreditation status as part of the end of year activities. Additional analysis may include a review of the provider’s fiscal reports at the end of the fiscal year. Providers may contact DPH-SAPC Financial Services Branch at SAPC-Finance@ph.lacounty.gov for more information or if they have any questions on their assigned tier.

Below is the list of contracted levels of care that were considered in this analysis and the tier methodology:

Tier Levels of Care Consideration	Tier Methodology
<ul style="list-style-type: none"> • ASAM 0.5: Early Intervention • ASAM 1.0: Outpatient • ASAM 2.1: Intensive Outpatient • ASAM 1-WM: Outpatient WM • ASAM 3.1: Residential • ASAM 3.3: Residential • ASAM 3.5: Residential • ASAM 3.2-WM: Residential WM • ASAM 3.7-WM: Inpatient WM • ASAM 4-WM: Inpatient WM • Opioid Treatment Program • Recovery Bridge Housing • Accreditation (e.g., Joint Commission/CARF) 	<p style="text-align: center;"><u>Tier 1</u></p> <p style="text-align: center;">1 or 2 Levels of Care</p> <p style="text-align: center;"><u>Tier 2</u></p> <p style="text-align: center;">3, 4, or 5 Levels of Care</p> <p style="text-align: center;"><u>Tier 3</u></p> <p style="text-align: center;">6 or more Levels of Care</p>

REIMBURSEMENT AND CLAIMING CHANGES

CalAIM’s Payment Reform provisions include several changes that impact how providers submit claims and are reimbursed. The following changes are effective July 1, 2023:

Transition to Fee-for-Service

Through June 30, 2023, providers receive an interim rate for services as described in the Rate Matrix and submit a cost reconciliation report to establish DMC reimbursable SUD treatment services. Beginning July 1, 2023, this will transition to a fee-for-service (FFS) structure with significantly streamlined Fiscal Reporting requirements and excluding subsequent cost reconciliation.

While the new reimbursement model creates efficiencies and opportunities for providers to invest in programs, it also requires that providers have systems in place to ensure that revenue is meeting organizational expenditures. Once a claim has been approved and reimbursed, providers must ensure that the revenue is sufficient to cover the cost associated with providing that unit of service. No additional funding will be provided for services rendered.

Fiscal Reporting

In accordance with DMC-ODS guidelines, DPH-SAPC will no longer use DHCS’ issued Cost Report Template for DMC reimbursable services. For the initial years after the launch of CalAIM, DPH-SAPC will implement a significantly streamlined Fiscal Reporting process to

collect financial information at the organizational level as part of the ongoing effort to ensure rates are appropriately supporting providers and enabling the transition to a value-based care. This information will also inform determination of Rate Tiers if continued in future years. Additionally, DPH-SAPC will continue to conduct fiscal compliance audits/reviews via its partnership with the Los Angeles County Department of the Auditor-Controller.

Practitioner Rates

For outpatient levels of care (e.g., ASAM 1.0, 2.1, 1-WM, 2-WM) reimbursement rates are based on the practitioner level delivering the treatment services. This enables providers to further diversify their direct service workforce to include more Licensed Practitioners of the Healing Arts (LPHA), expand onsite service options such as Medications for Addiction Treatment (MAT) and family therapy, and compensate them at a higher level to support competitive salaries and benefits. Differential rates for registered versus certified counselors also acknowledge that increased education and training should be supported with enhanced rates and increased compensation packages (see *Capacity Building and Incentives* section to learn more about funding to support staff costs to become certified).

For providers to fully leverage and benefit from this opportunity, providers need to develop and implement billing processes to ensure that treatment services are being billed under the accurate and actual practitioner level(s). Services MUST be billed in accordance with the staff that provided the services (e.g., services provided by a registered counselor can only be billed under the registered counseling rates). Intentional and/or accidental inappropriate billings may result in non-compliance and contractual actions.

Inclusive Rates

A key goal of CalAIM is to streamline processes and create efficiencies. As such, the following activities that were previously billed separately are now bundled within the service rates:

- *Travel Time*
- *Documentation*

While these activities are no longer permitted to be billed separately (e.g., cannot add associated time to the direct service claim), providers are compensated for associated costs within each service delivered. For example, even though each service is not delivered in a field-based location, travel costs/time is incorporated within each outpatient service rate claimed.

Addition of Current Procedural Terminology (CPT) Codes

Under the provisions of CalAIM, the DMC claiming process will include Current Procedural Terminology (CPT) along with Healthcare Common Procedure Coding System (HCPCS) Level II codes. CPT codes will be used to bill for services offered by LPHA/LPHA-eligible and HCPCS codes will primarily be used for services conducted by registered and certified SUD counselors. The inclusion of CPT codes reflects the

increased role that licensed professional staff can offer in SUD treatment. Permitted CPT and HCPCS codes are included in the Rates Matrix.

CAPACITY BUILDING AND INCENTIVE INITIATIVES

DPH-SAPC recognizes providers may need additional resources to fully leverage the opportunities afforded by CalAIM and to help make the necessary organizational changes to better implement new guidelines and program requirements. In response, DPH-SAPC has developed two initiatives within its payment reform approach to better support providers: 1) Capacity Building and 2) Incentives. Both efforts are designed to offer support at both the staff- and organizational-level.

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

Additional information is found in the attached Capacity Building and Incentive attachments.

Capacity Building

Similar to the launch of the DMC-ODS waiver, some of the transformational opportunities under payment reform and CalAIM may require upfront investments from providers. As a result, DPH-SAPC is offering optional capacity building funds to support providers with development in the following areas. If fully participating, the minimum potential agency revenue is \$179,000 for Tier 1, \$261,000 for Tier 2, and \$343,000 for Tier 3.

Workforce Development: Recruitment, Retention and Training

DMC-ODS and CalAIM initiatives transformed the specialty SUD service system for Medi-Cal clients and continue to increase expectations for the workforce in the form of higher clinical, documentation, and outcome standards. Additionally, providers may bill higher rates based on services conducted by higher credentialed staff under payment reform. These funds are designed to address challenges and better ensure that staff are prepared to work with an increasingly complex patient population and a specialty SUD treatment environment where outcomes will be central to future reimbursement models.

Access to Care: Reaching the 95%

A shared priority for all providers and DPH-SAPC is to ensure that there are active and ongoing outreach and engagement efforts to reach people who need SUD treatment but either do not think they need it or do not want it. The “Access to Care: Reaching the 95%” category ensures that the network is designed for both those individuals actively seeking treatment and those who are open to services but are not ready or willing to be abstinent. This is accomplished by creating internal policies that support lower barrier care and formal plans that describe community and external outreach and engagement.

Fiscal and Operational Efficiency: Revenue and Expenditure Management

A fundamental change under CalAIM is the elimination of cost reconciliation and the shift to fee-for-service reimbursement. These changes make it essential that providers have robust and accurate financial systems and processes to track revenue to achieve two goals: 1) Ensure that services provided cover expenditures; and 2) Identify available funds to reinvest in the organization.

Incentives

Payment reform in July 2023 serves as the first step to moving away from a volume-based and towards a value-based reimbursement structure for specialty SUD systems. This requires defining performance metrics that are designed to validate whether provider agencies deliver, and patients receive, outcome-focused services that translate to value-based care.

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 five key categories of focus under DPH-SAPC’s incentive structure are as follows. If fully participating, the minimum potential agency revenue is \$240,000 for Tier 1, \$360,000 for Tier 2, and \$480,000 for Tier 3.

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

Billing for Capacity Building and Incentives

Both the Capacity Building and Incentive payments are structured according to a provider’s assigned Rate Tier. Providers interested in participating in Capacity Building and/or Incentive Metrics Initiatives need to submit the appropriate attestation and invoice for the effort(s) being claimed:

- **Invoice #1 – Capacity Building Start-Up Funds Attestation and Invoice:**
Use this invoice to claim for capacity building efforts that permit receipt of start-up funds that are payable before the deliverable is completed and when the agency commits to submitting an

acceptable deliverable by the due date (1C-1, 1D-1, 2A-1, 2A-2, 2A-3, 2B-1, 2C-1, 2E-1, 2E-2, 2E-3, 2F-1, 3A-1, 3B-1); and to inform DPH-SAPC if you intend to participate in other deliverable-based capacity building efforts (1A-1, 1B-1, 1D-2, 2B-2, 2C-2, 2D-1, 2D-2, 2D-3, 2F-2, 3B-2).

- **Invoice #2 – Capacity Building Deliverables Attestation and Invoice:**

Use this invoice to claim for capacity building efforts that require submission of an acceptable deliverable before payment (1A-1, 1B-1, 1D-2, 2B-2, 2C-2, 2D-1, 2D-2, 2D-3, 2F-2, 3B-2).

- **Invoice #3 – Incentive Metrics Attestation and Invoice:**

Use this invoice to claim for incentive metric efforts that have been achieved by all contracted sites at the agency for duration of FY 23-24 as outlined.

Review the *SAPC FY 23-24 Capacity Building Package*, *SAPC FY 23-24 Incentive Metrics Package*, *Invoice 1 – Capacity Building Start-Up Funds Attestation*, *Invoice 2 – Capacity Building Deliverable-Based Efforts*, and *Invoice 3 – Incentive Metrics Completion Verification* attachments for additional information and instructions.

ADDITIONAL BENEFITS UNDER THE DMC TREATMENT CONTRACT

Reimbursement under the DMC-ODS Contract includes an invoice process, in addition to the Rates Matrix, for the following select services under the treatment services benefit:

- Sexual Reproductive Health Specialists
- Capacity Building and Incentives
- Contingency Management (Recovery Incentive Program) start-up funds

For information on which invoice to use, or more information on these services, see relevant sections in this bulletin or other corresponding bulletins which are available at the SAPC website:

<http://publichealth.lacounty.gov/sapc/providers/manuals-bulletins-and-forms.htm#bulletins>

RESOURCES

The following resources provide additional information and guidance:

- The SAPC [Provider Manual](#)
- [Sage 837P Companion Guide](#)
- [Sage 837I Companion Guide](#)
- [Behavioral Health Information Notice No. 23-001](#)

EFFECTIVE PERIOD

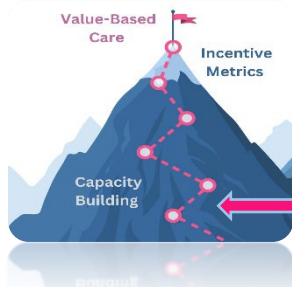
This guidance will be effective July 1, 2023 through June 30, 2024, unless otherwise revised.

ADDITIONAL INFORMATION

For additional questions or requests, please contact your assigned Contract Program Auditor.

Attachments

GT:dd



Substance Abuse Prevention and Control (SAPC) Fiscal Year (FY) 2023-2024 Capacity Building Package

The Los Angeles County Department of Public Health's Division of Substance Abuse Prevention and Control (DPH-SAPC) funded capacity building efforts in FY 2016-2017 to prepare the substance use disorder (SUD) treatment system for substantial changes arising out of participation in the Drug Medi-Cal Organized Delivery System (DMC-ODS). With the continued transformation expected under the California Advancing and Innovating Medi-Cal (CalAIM) Initiative and the movement towards value-based care under payment reform, as well as increased training requirements for substance use disorder (SUD) counselors in 2025 with [AB 2473](#), DPH-SAPC is embarking on another round of optional **capacity building** efforts to support its provider network with development in the following areas:

1. Workforce Development: Recruitment, Retention and Training
2. Access to Care: Reaching the 95%
3. Fiscal and Operational Efficiency: Revenue and Expenditure Management

Agencies can choose to participate in any or all of the following efforts. However, DPH-SAPC strongly encourages full participation since the funding may assist in meeting related Incentive Metrics and drawing down those additional payments as well.

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: Capacity building payments will be distributed through your DMC-ODS Contract, therefore, notify DPH-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.

The following is a description of available capacity building efforts.

Capacity Building Category: Workforce Development

Description: DMC-ODS and CalAIM initiatives transformed the specialty SUD service system for Medi-Cal clients and continue to increase expectations for the workforce in the form of higher clinical, documentation, and outcome standards. DPH-SAPC has prioritized workforce development as a central component to advancing the SUD field and moving towards parity with physical and mental health systems.

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- Over 80% of LAC’s SUD workforce are counselors, 50% of them are registered and 30% certified (licensed clinicians comprise the bulk of the remaining workforce).
- California has the lowest educational training hour requirement for SUD counselors in the United States.
- 9 hours (1 – 2 days) of training allows registered counselors to deliver direct services, this increases to the minimum training standard set for peer specialists (80 hours [2 weeks]) in 2025 with the implementation of AB 2473.
- Agencies report counselors cannot afford the cost of tuition or to take time off from work to complete coursework and often do not finish before the 5-year deadline.
- Workforce surveys indicate counselors leave the field for higher paying and/or less stressful jobs in retail and food service, further impacting the workforce shortage.

DPH-SAPC's capacity building funds are designed to address the above challenges and better ensure that staff are prepared to work with an increasingly complex patient population and a specialty SUD treatment environment where outcomes will be central to future reimbursement models.

Why Participate in Workforce Capacity Building Efforts? Your agency will get additional funding to support your counselor workforce. Your participation is mutually beneficial:

- **Counselors:** Receive tuition assistance, paid time-off to complete coursework, and/or obtain expedited certification to increase skills to provide effective treatment.
- **Agencies:** Reduce turnover and associated recruitment and onboarding costs, receive increased outpatient rates when counselors become certified, and/or will be eligible for the additional workforce incentive payment when 40% or more of your counselor workforce is certified.

In addition, participation in these efforts should improve your ability to meet Incentive 1-a Metric: At least 40% of SUD counselors providing direct services are certified SUD counselors – Tier 1 - \$30,000 * Tier 2 - \$45,000 * Tier 3 - \$60,000

Workforce Development Capacity Building payments and associated deliverables are described in Table 1 below.

Table 1: Workforce Development Capacity Building Summary

#	Description	Due Date	Max Units	Payment Per Unit	Total Maximum Revenue Potential	Max SAPC Spend All 84 Contractors
1A – Agency-Level Survey on Workforce						
1A-1	Agency Survey <i>(*required to participate in the capacity building category)</i>	8/30/2023	1	Tier 1 - \$10,000	Tier 1 - \$10,000	\$1,115,000
				Tier 2 - \$15,000	Tier 2 - \$15,000	
				Tier 3 - \$20,000	Tier 3 - \$20,000	
1B – Staff-Level Survey on Workforce						
1B-1	Staff Survey Summary	12/31/2023	1	Tier 1 - \$5,000	Tier 1 - \$5,000	\$557,500
				Tier 2 - \$7,500	Tier 2 - \$7,500	
				Tier 3 - \$10,000	Tier 3 - \$10,000	
1C – Workforce Development and Retention Plan						
1C-1	Sustainability Plan	6/30/2024	1	Tier 1 - \$20,000	Tier 1 - \$20,000	\$2,230,000
				Tier 2 - \$30,000	Tier 2 - \$30,000	

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				Tier 3 - \$40,000	Tier 3 - \$40,000	
1D – Counselor Expedited Training and Certification						
1D-1	Tuition/Paid Time Off	3/31/2024	# registered counselors*	Tier 1 - \$2,500pp	Varies based on Participation	\$3,500,000 (estimated)
				Tier 2 - \$2,500pp		
				Tier 3 - \$2,500pp		
1D-2	Certification Obtained	6/30/2025	# registered counselors*	Tier 1 - \$2,500pp		
				Tier 2 - \$2,500pp		
				Tier 3 - \$2,500pp		
Minimum Agency Revenue Opportunity with Full Participation				Tier 1	\$35,000 +1D-1 + 1D-2	
*For your agency potential calculate based on total number of SAPC-credentialed Sage-users who are registered counselors delivering direct services				Tier 2	\$52,500 +1D-1 + 1D-2	
				Tier 3	\$70,000 +1D-1 + 1D-2	
Maximum County (SAPC) Contribution with Full Participation						\$7,402,500
*Calculated based on total number of SAPC-credentialed Sage-users who are registered counselors delivering direct services as of 3/22/23						

Capacity Deliverable 1A	Agency-Level Survey on Workforce
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1A – Agency Survey: Capacity Building 1A is designed to better understand your agency’s strategy for workforce recruitment and retention across all direct service classifications – LPHAs, counselors and peers. This survey¹ will be designed by DPH-SAPC, with input from its provider network.

Once the survey data is collected and summarized (without agency identifiers), DPH-SAPC will conduct optional listening sessions and collaborative opportunities if providers would like to work together to discuss which recruitment and retention strategies have been the most successful and why others may not have been less successful; how capacity and DMC rates revenue can support sustainability of salary, benefits, and other compensation efforts; and how the SUD system can continue to push to be competitive and resist loss of workforce to other sectors (e.g., livable wage).

Note: Participation in optional sessions are ways for providers to reinvest capacity building payments and defray costs for staff who would otherwise be providing direct services.

Why Participate? Your agency will be provided a summary of your survey results to use as a baseline for developing your sustainability plan. Collectively, the data will provide SAPC with baseline information on the SUD workforce in LAC to design more strategic and needed capacity building efforts, if possible, in the future.

Capacity Building 1A Payment: This project is deliverable-based. Providers will be paid after the survey is submitted and deemed complete. Complete and submit the invoice below and attach the deliverable by August 30, 2023 for payment. Expenditure verification is not required.

NOTE: 1A-1 is required to participate in other workforce capacity building efforts.

- 1A-1. Submit complete response to agency-level survey - one per treatment agency
Tier 1 - \$10,000, Tier 2 - \$15,000, Tier 3 - \$20,000. Required

¹ Agency survey questions may focus on gaining foundational knowledge on the current salary, benefits, and other compensation strategies of network providers; what new strategies are being considered to address workforce shortage and retention issues; and support capacity building of staff to be able to deliver value-based care now and in the future.

Capacity Deliverable 1B

Staff-Level (Practitioner) Survey on Workforce

1B – Staff Survey: Capacity Building 1B is designed to learn more from your direct service staff – LPHAs, counselors, peers – to strengthen workforce recruitment and retention. A sample survey² will be developed and providers can use this version or adapt it to agency-specific needs.

Why Participate? Your agency will learn directly from your staff what is most important to them and what would be helpful to support their long-term career with your organization.

Capacity Building 1B Payment: This project is deliverable-based. Providers will be paid after the survey summary is submitted and deemed complete. Complete and submit the invoice below and attach the deliverable by December 31, 2023 for payment. Expenditure verification is not required. As an example, funds could be used to provide gift cards to staff who complete the survey.

1B-1. Submit summary response to staff-level survey - one per treatment agency.

Tier 1 - \$5,000, Tier 2 - \$7,500, Tier 3 - \$10,000.

Capacity Deliverable 1C

Workforce Development and Retention Sustainability Plan

1C – Plan: Capacity Building 1C is designed to build a long-term workforce development and retention sustainability plan at your agency-level that incorporates an enhanced compensation package (salary, benefits, training reimbursement, tuition reimbursement, retirement accounts, bilingual bonus, etc.). The plan should be sustainable over multiple years and be informed by current costs to operate compared to revenue from DMC rates, and whether operational costs could be streamlined or reallocated to enable greater investment in direct service staff. It should also consider how upstream investments in the workforce will or will not contribute to increased revenue opportunities downstream through improved patient retention and reduced overhead costs due to staff turnover.^{3,4} It should also identify if/how participation in 1D and/or other workforce retention efforts will be sustained after FY 2023-2024.

DPH-SAPC, in partnership with its vendor(s), will conduct optional workshops if providers would like to collaborate with their peers and leverage expertise of organizations who implemented similar efforts already. A template plan will also be developed to ensure key components are addressed.

Note: Participation in optional sessions are ways for providers to reinvest capacity building payments and defray costs for staff who would otherwise be providing direct services.

² Staff survey questions may include topics such as what support and training staff need to achieve current work expectations and help patients achieve their personal goals, what compensation (salary, benefits, training reimbursement, tuition reimbursement, retirement accounts etc.) options are most valuable and would contribute to longer retention or expedited completion of education/training requirements; what would support completion of counselor certification more quickly and what is needed to support recertification; and other feedback to inform workforce development and improvement.

³ SAPC structured its outpatient rates to recognize the increased cost and value of the certified counselor workforce (e.g., ASAM 1.0 current rate = \$182.44/hr, new Tier 1 registered counselor rate = \$196.48/hr, new Tier 1 certified counselor rate = \$206.32/hr). Therefore, every certified counselor will bring in approximately \$10,745 more per year than a registered counselor, and that revenue can be used to reinvest into a more robust salary and benefits compensation package that will support retention efforts and reduce turnover.

⁴ Revenue potential for a certified counselor is calculated based on the difference between the new registered and certified counselor rates and (\$9.84 per hour) and minimum productivity (60%) for standard work hours per year excluding time off (1,820 hours). This figure will vary at the agency level depending on each certified counselor's productivity and actual time off.

Why Participate? Your agency will address key reasons why your registered counselor workforce struggles with becoming certified and/or develop a more competitive salary/benefits package to increase workplace satisfaction and reduce turnover. You will determine how higher DMC rates can be reinvested in workforce retention strategies, especially in outpatient settings as newly certified counselors help you draw down an estimated \$10,745 more in annual revenue.^{3,4}

Capacity Building 1C Payment: This project is for start-up funds. Providers will be paid before the sustainability plan is developed. To receive advance funds, complete and submit the invoice below attesting to your commitment to participate. Submit the viable sustainability plan by June 30, 2024 to avoid recoupment. Expenditure verification is not required.

1C-1. Submit attestation to complete viable workforce development and retention sustainability plan - one per treatment agency. *Tier 1 - \$20,000, Tier 2 - \$30,000, Tier 3 - \$40,000.*

Capacity Deliverable 1D

Expedited Counselor Training and Certification

1D – Counselors: The counselor profession delivers over 80% of direct services in LA County’s specialty SUD treatment system. They often come to the field with valuable life experiences that enable them to effectively relate to the patients served and which can be enhanced through completion of coursework and training hours earlier in their career. Given their essential role in the SUD service delivery system and increasing competition for them to take positions in other related and unrelated fields, it is critical to demonstrate their value through enhanced compensation. Capacity Building 1D provides an opportunity for agencies to jumpstart their future investment now through this time-limited financial support.

Capacity Building 1D supports registered SUD counselors credentialed by DPH-SAPC and employed by agencies as of April 1, 2023 to expedite completion of certification coursework and training hours as this is a key way to ensure the field has the skills to treat patients with complex health needs and prepare for value-based care. It is also an important step in valuing the professionalism of the SUD field’s primary workforce and demonstrating that LA County believes in raising standards and opportunities for counselors and will continue to take steps to elevate this as a priority in California. This also enables agencies to support registered counselors hired before AB 2473 takes effect to obtain the 80-hours of core competencies⁵ and validate the importance of understanding these topics in the delivery of care even when not mandated.

⁵ AB 2473 Core Competencies: (A) knowledge of the current Diagnostic and Statistical Manual of Mental Disorders; (B) knowledge of the American Society of Addiction Medicine (ASAM) criteria and continuum of ASAM levels of care, or other similar criteria and standards as approved by the department; (C) cultural competence, including for people with disabilities, and its implication for treatment; (D) case management; (E) utilization of electronic health records systems; (F) knowledge of medications for addiction treatment; (G) clinical documentation; (H) knowledge of cooccurring substance use and mental health conditions; (I) confidentiality; (J) knowledge of relevant law and ethics; (K) understanding and practicing professional boundaries; and (L) delivery of services in the behavioral health delivery system.

Why Participate? For a limited time, SAPC will jumpstart your counselor workforce investments by advancing you a significant portion of the tuition costs and/or paid time off to attend classes for all your registered counselors employed as of April 1, 2023. For every registered counselor who becomes certified, you will increase your future outpatient revenue by an estimated \$10,745 annually.^{3,4} More certified counselors should also help you meet future value-based care metrics.

Capacity Building 1D Payment:

Project 1D-1 is for start-up funds. Providers will be paid before the registered counselor attends classes to enable the agency to pay the employee for tuition/book costs and/or paid time off. To receive advance funds, complete and submit the invoice below attesting to your commitment to participate on behalf of the specified registered counselors and affirming that funds will solely be used to either reimburse for education costs and/or provide paid time off to attend classes. Expenditure verification is required by March 31, 2024 to avoid recoupment.

1D-1. Submit attestation to financially support costs for registered counselors to complete certification coursework – \$2,500 per SAPC-credentialed direct service registered counselor employed as of April 1, 2023. *Tier 1 - \$2,500pp, Tier 2 - \$2,500pp, Tier 3 - \$2,500pp.*

Project 1D-2 is deliverable-based. Providers will be paid after staff certification verification is submitted and deemed complete. Complete and submit the invoice below and attach the deliverable by June 30, 2025 for payment.

1D-2. Verify that registered counselor(s) passed the certification exam between 7/1/23 and 6/30/25 – \$2,500 per SAPC-credentialed direct service registered counselor employed as of April 1, 2023. *Tier 1 - \$2,500pp, Tier 2 - \$2,500pp, Tier 3 - \$2,500pp.*

Capacity Building Category: Access to Care – Reaching the 95% (R95)

Description: SUD systems are serving about 5% of people who need treatment because the other 95% of people who need SUD treatment either don't think they need it or don't want it. The R95 Initiative is designed to:

- Ensure that DPH-SAPC designs a specialty SUD system that is focused not just on the ~5% of people with SUDs who are already receiving and open to treatment, but also the ~95% of people with SUDs who do not receive treatment for any reason; and
- Communicate – through words, policies, and actions – that people with SUD are worthy of our time and attention, no matter where they are in their recovery journey, including if they haven't even started it yet.

Under the R95 Initiative, there are 6 Incentive Options in two Focus Areas that agencies can participate in and seek to draw down by meeting specified benchmarks and activity-related deliverables:

- Focus Area 1: Outreach and engagement
- Focus Area 2: Establishing low barrier care

Why Participate in Access to Care – R95 Capacity Building Efforts? Your agency will get additional funding to adapt program services to serve more people and draw-down more revenue.

Your participation is mutually beneficial:

- **Patients:** Obtain needed and desired services before they are ready for abstinence and so they have the opportunity to consider all recovery options from your skilled staff.
- **Agencies:** Provide tailored services that meet individual patient needs and preferences and can draw-down additional revenue for the expanded patient population.

In addition, participation in these efforts should improve your ability to meet Incentive 2-a Metric: Become a R95 Champion by completing all components of Capacity Building Efforts 2C, 2E, and at least one other effort - Tier 1 - \$30,000 * Tier 2 - \$45,000 * Tier 3 - \$60,000

To participate in the Access to Care – R95 Capacity Building package, agencies must complete 2C-2, 2D-1, and 2D-2 at minimum. This includes updated Admission and Discharge Policies and Procedures (2D-1, 2D-2) which are explicitly inclusive of a plan to engage patients at various stages in their recovery including those who are not yet ready for abstinence and who have not fewer than one UM approved 30- to 60-Day Engagement authorizations (2C-2) for non-residential levels of care where there was a documented need for counseling services to support patient readiness to participate in the full ASAM assessment, and where the ASAM assessment was successfully completed within the engagement authorization period.

Access to Care – R95 Capacity Building payments and associated deliverables are in Table 2 below.

Table 2: Access to Care – Reaching the 95% (R95) Capacity Building Summary

#	Description	Due Date	Max Units	Payment Per Unit	Total Maximum Revenue Potential	Max SAPC Spend All 84 Contractors
2A – Preparation and Planning for Outreach and Engagement						
2A-1	New Partner Entity Meetings	12/31/23	10	Tier 1 - \$1,000	Tier 1 - \$10,000	\$2,984,500
			15	Tier 2 - \$1,000	Tier 2 - \$15,000	
			20	Tier 3 - \$1,000	Tier 3 - \$20,000	
2A-2	New Partnership Plan	12/31/23	1	Tier 1 - \$3,000	Tier 1 - \$3,000	
				Tier 2 - \$4,500	Tier 2 - \$4,500	
				Tier 3 - \$6,000	Tier 3 - \$6,000	
2A-3	New Executed MOU	12/31/23	3	Tier 1 - \$5,000	Tier 1 - \$15,000	
			4	Tier 2 - \$5,000	Tier 2 - \$20,000	
			5	Tier 3 - \$5,000	Tier 3 - \$25,000	
2B – Field-Based Services for Outreach and Engagement						
2B-1	New Executed MOU	12/31/23	3	Tier 1 - \$5,000	Tier 1 - \$15,000	\$2,092,500
			4	Tier 2 - \$5,000	Tier 2 - \$20,000	
			5	Tier 3 - \$5,000	Tier 3 - \$25,000	
2B-2	Verified Claims	6/30/24	10	Tier 1 - \$500	Tier 1 - \$5,000	
			15	Tier 2 - \$500	Tier 2 - \$7,500	
			20	Tier 3 - \$500	Tier 3 - \$10,000	

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2C – 30- and 60-Day Engagement Period for Outreach and Engagement						
2C-1	Engagement Policy	12/31/23	1	Tier 1 - \$5,000	Tier 1 - \$5,000	\$1,115,000
				Tier 2 - \$7,500	Tier 2 - \$7,500	
				Tier 3 - \$10,000	Tier 3 - \$10,000	
2C-2	*Verified Engagement Auths (*required to participate in the capacity building category)	6/30/24	10	Tier 1 - \$500	Tier 1 - \$5,000	
			15	Tier 2 - \$500	Tier 2 - \$7,500	
			20	Tier 3 - \$500	Tier 3 - \$10,000	
2D – Update Admission and Discharge Policies						
2D-1	*R95 Admission Policy (*required to participate in the capacity building category)	12/31/23	1	Tier 1 - \$10,000	Tier 1 - \$10,000	\$3,345,000
				Tier 2 - \$15,000	Tier 2 - \$15,000	
				Tier 3 - \$20,000	Tier 3 - \$20,000	
2D-2	*R95 Discharge Policy (*required to participate in the capacity building category)	12/31/23	1	Tier 1 - \$10,000	Tier 1 - \$10,000	
				Tier 2 - \$15,000	Tier 2 - \$15,000	
				Tier 3 - \$20,000	Tier 3 - \$20,000	
2D-3	R95 Training Presentation	12/31/23	1	Tier 1 - \$10,000	Tier 1 - \$10,000	
				Tier 2 - \$15,000	Tier 2 - \$15,000	
				Tier 3 - \$20,000	Tier 3 - \$20,000	
2E – Service Design for Lower Barrier Care						
2E-1	Service Design	6/30/24	1	Tier 1 - \$1,000	Tier 1 - \$1,000	\$844,500
				Tier 2 - \$1,500	Tier 2 - \$1,500	
				Tier 3 - \$2,000	Tier 3 - \$2,000	
2E-2	Customer Walk-Through	6/30/24	# sites	Tier 1 - \$200	Varies based on Participation	
				Tier 2 - \$200		
				Tier 3 - \$200		
2E-3	Plan	6/30/24	1	Tier 1 - \$5,000	Tier 1 - \$5,000	
				Tier 2 - \$7,500	Tier 2 - \$7,500	
				Tier 3 - \$10,000	Tier 3 - \$10,000	
2F – Bidirectional Referrals for Lower Barrier Care						
2F-1	Executed MOU	12/31/23	3	Tier 1 - \$5,000	Tier 1 - \$15,000	\$2,331,250
			4	Tier 2 - \$5,000	Tier 2 - \$20,000	
			5	Tier 3 - \$5,000	Tier 3 - \$25,000	
2F-2	Verified Claims	6/30/24	10	Tier 1 - \$500	Tier 1 - \$5,000	
			15	Tier 2 - \$750	Tier 2 - \$11,2500	
			20	Tier 3 - \$1,000	Tier 3 - \$20,000	
Minimum Agency Revenue Opportunity with Full Participation				Tier 1	\$114,000 + 2E-2	
*For your agency potential calculate based on total number contracted sites				Tier 2	\$163,500 + 2E-2	
				Tier 3	\$213,000 + 2E-2	
Maximum County (SAPC) Contribution with Full Participation						\$12,712,750
*Calculated based on total number of contracted sites as of 3/22/23						

Focus Area 1 – Outreach and Engagement

These interventions focus on how agencies can connect with new individuals that the provider agency is not engaging or those who did not call or show-up at a service site; and how to bring services to locations to individuals who are unsure if they want SUD treatment services and/or who may not be ready to cease all use of alcohol and/or drugs.

Capacity Deliverable 2A

Outreach and Engagement Plan for Outreach and Engagement

2A – Preparation and Planning: Capacity Building 2A is designed to develop and implement an outreach and engagement plan to better reach and enroll the 95% of individuals who need SUD treatment but who are not accessing it. This plan includes the following activities at minimum:

1. Identifying where your agency receives referrals from now and how to cultivate partnerships with these settings that increase the number of referrals;
2. Identifying new community, health and social service providers in your area that serve people who otherwise may not know of your SUD services, specifically including people at different stages of readiness to change their substance use and who would benefit from services;
3. Educating partner agencies how you expanded access to services based on Focus Area 2 and what this means for new referral and service opportunities;
4. Establishing Memorandum of Understandings (MOU) with local health and social service providers to clarify bidirectional referral processes;
5. Determining how outreach is sustainable after the incentive period; and
6. How this links to work under Focus Area 2.

Why Participate? Your agency will receive new funds to divert staff from delivering direct services and instead cover some salary expenses to find and build new referral partnerships and begin to increase the number of R95 patient admissions who do not have current abstinence goals but want services. This project works best when combined with others in this category.

Capacity Building 2A Payment: This project is for start-up funds. Providers will be paid before meeting with new partners, developing the plan, and executing MOUs. To receive advance funds, submit the invoice below attesting to your commitment to participate. Submit the deliverables by December 31, 2023 to avoid recoupment. Expenditure verification is not required.

- 2A-1. Submit attestation to meet with potential new partner entities - up to 10 per Tier 1 treatment agency; up to 15 per Tier 2 treatment agency; and up to 20 per Tier 3 treatment agency at \$1,000 each. *Maximum Tier 1 - \$10,000, Tier 2 - \$15,000, Tier 3 - \$20,000.*
- 2A-2. Submit attestation to complete a plan on developing / maintaining new partnerships - one per treatment agency. *Tier 1 - \$3,000, Tier 2 - \$4,500, Tier 3 - \$6,000.*
- 2A-3. Submit attestation to executed MOU(s) - up to 3 MOUs different than 2B-1 and 2F-1 per Tier 1 treatment agency; up to 4 per Tier 2 treatment agency; and up to 5 per Tier 3 treatment agency at \$5,000 each. *Maximum Tier 1 - \$15,000, Tier 2 - \$20,000, Tier 3 - \$25,000.*

Capacity Deliverable 2B	Field-Based Services
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2B – Field-Based Services: Capacity Building 2B can build upon relationships developed under 2A and leverages new community-based locations that already attract the focus population (individuals who need services but are not inclined to receive care at an SUD setting requiring abstinence as a condition of admission, and who may not currently have goals that include abstinence) to deliver SUD treatment services.

Why Participate? Your agency will receive new funds to divert staff from delivering direct services and instead cover some salary expenses to establish FBS sites that have a higher probability of serving individuals without current abstinence goals but who are interested in services. This project works best when combined with others in this category.

Capacity Building 2B Payment:

Project 2B-1 is for start-up funds. Providers will be paid before meeting with new partners and executing MOUs. To receive advance funds, complete and the invoice below attesting to your commitment to participate. Submit the MOUs by December 31, 2023 to avoid recoupment. Expenditure verification is not required.

- 2B-1. Submit attestation to complete an executed MOU and add FBS site to contract (different than 2A-3 and 2F-1) up to 3 MOUs per Tier 1 treatment agency; up to 4 per Tier 2 treatment agency; and up to 5 per Tier 3 treatment agency at \$5,000 each. *Maximum Tier 1 - \$15,000, Tier 2 - \$20,000, Tier 3 - \$25,000.*

Project 2B-2 is for deliverable-based. Providers will be paid after verification of delivery of appropriate services via claims. Complete and submit the invoice below and attach applicable claims by June 30, 2024 for payment. Expenditure verification is not required.

- 2B-2. After at least 6 months after signed MOU, verify claims for new admissions at FBS site up to 10 admissions per Tier 1 treatment agency; 15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at \$500 each and patient cannot receive any participation incentive. *Maximum Tier 1 - \$5,000, Tier 2 - \$7,500, Tier 3 - \$10,000.*

Capacity Deliverable 2C (Mandatory 2C-1)	30- to 60-Day Engagement Period (Non-Residential)
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2C – 30 to 60 Day Engagement Period: Capacity Building 2C leverages new State allowances to establish medical necessity and complete the ASAM assessment within 30-days for adults (21+), and 60-days for youth (12-20) and adults experiencing homelessness in non-residential facilities (early intervention, outpatient, intensive outpatient, outpatient withdrawal management) in order to engage individuals who need SUD services but who may be ambivalent or not ready to receive care in a more traditional treatment setting. Not only can this be used for individuals who need more time to complete the assessment process given their individualized circumstances, but it also enables agencies to go outside

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of their treatment programs to engage individuals in the community and perform limited services (e.g., individual sessions, care coordination) while the individual decides whether to engage more fully at a certified or Field-Based Service site.

Why Participate? Your agency will receive new funds to determine how best to implement the 30- to 60-day engagement flexibilities and reach more R95 patients using these new tools. You will also be able to develop and conduct trainings for staff to ensure understanding of changes throughout your organization.

Capacity Building 2C Payment:

Project 2C-1 is for start-up funds. Providers will be paid before developing the engagement policy and completing staff training. To receive advance funds, submit the invoice below attesting to your commitment to participate. Submit the deliverables by December 31, 2023 to avoid recoupment. Expenditure verification is not required.

2C-1. Submit attestation to complete compliant engagement policy and attestation of staff notification and training - one per treatment agency. *Tier 1 - \$5,000, Tier 2 - \$7,500, Tier 3 - \$10,000.*

Project 2C-2 is for deliverable-based. Providers will be paid after verification of delivery of appropriate services via claims. Complete and submit the invoice below and attach applicable claims by June 30, 2024 for payment. Expenditure verification is not required.

NOTE: 2C-2 is required to participate in other R95 capacity building efforts.

2C-2. After 6 months after policy approval, verify claims for services provided under an approved 30- to 60-day authorization up to 10 admissions per Tier 1 treatment agency; 15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at \$500 each and patient cannot receive any participation incentive. *Maximum Tier 1 - \$5,000, Tier 2 - \$7,500, Tier 3 - \$10,000. Required*

Focus Area 2 – Establishing Lower Barrier Care Across the SUD System

These interventions focus on how agencies can more meaningfully attract and engage individuals who are not interested in or ready for complete abstinence into services by addressing barriers to care across the specialty SUD treatment system.

Capacity Deliverable 2D (Mandatory 2D-1, 2D-2)	Update Admission and Discharge Policies to be More Inclusive of Patients at Different Points in Recovery or Who Are Not Yet Ready for Abstinence
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2D – Admission/Discharge Policies: Capacity Building 2D ensures that DPH-SAPC network providers establish more flexible admission policies that allow for enrollment of individuals at different points of their recovery, including those who are not yet ready for complete abstinence (since someone can both be interested in treatment but not yet able to maintain abstinence); establish discharge policies that do

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not result in an automatic discharge if clients use substances during a treatment episode and facilitate a culture of treating SUDs as chronic conditions by allowing for clients who use substances during treatment an opportunity to continue with treatment; and that direct service staff and managers are trained and adopt changes.

DPH-SAPC will conduct optional listening sessions and collaborative opportunities if providers would like to work together to get ideas on how to expand access to treatment and develop the updated admission policy. DPH-SAPC will also request admission policies from providers who are leaders in this area to share as samples with other interested agencies and in collaboration with providers conduct research and share information related to system enhancements in this area of focus, including recommendations on policy format and components.

Why Participate? Updating your policies and procedures, and training staff on the changes, are critical first steps to ensure that admissions are truly broadened to include the R95 populations and staff at the site level have clear expectations on who can and should be admitted to care.

Capacity Building 2D Payment: This project is deliverable-based. Providers will be paid after the admission and discharge policy and training presentation are complete and DPH-SAPC has approved content. Complete and submit the invoice below and attach the deliverables by December 31, 2023 for payment. Expenditure verification is not required.

Note: 2D-1 and 2D-2 are required to participate in other R95 capacity building efforts. Additionally, participation in optional sessions are ways for providers to reinvest capacity building payments and defray costs for staff who would otherwise be providing direct services.

2D-1. Submit compliant admission policy for approval - one per treatment agency. *Tier 1 - \$10,000, Tier 2 - \$15,000, Tier 3 - \$20,000. Required*

2D-2. Submit compliant discharge policy for approval - one per treatment agency. *Tier 1 - \$10,000, Tier 2 - \$15,000, Tier 3 - \$20,000. Required*

2D-3. Submit compliant training presentation for approval - one per treatment agency. *Tier 1 - \$10,000, Tier 2 - \$15,000, Tier 3 - \$20,000.*

Capacity Deliverable 2E

Modify Service Design to Serve Patients without Abstinence Goals

2E – Service Design: Capacity Building 2E supports providers in adapting the program services to align with the treatment needs of individuals who want to participate in services but are not ready to maintain abstinence. Efforts should be made to integrate services for individuals with different recovery goals whenever possible, but there may be instances when this is not conducive for all patients. Providers should articulate expectations to patients and staff to ensure a positive patient experience and develop a plan to monitor implementation of new changes to ensure appropriate implementation and adoption. These funds support the cost for the agency to set expectations and standards for optimally serving this population and verifying successful implementation based on the customer experience, including reviewing current service offerings for this population, ensuring the intake process

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is inviting and accommodating, providing materials in languages spoken by patients, and creating a welcoming and professional treatment environment for all patients.

DPH-SAPC will conduct optional listening sessions and collaborative opportunities if providers would like to work together to get ideas on how to modify program services to better reach and retain this population. DPH-SAPC will also invite providers who are leaders in this area to share their experience. A sample customer experience survey will also be developed to assist in completing the customer service walk-through. *Note: Participation in optional sessions are ways for providers to reinvest capacity building payments and defray costs for staff who would otherwise be providing direct services.*

Why Participate? Reimagining how the R95 population can be meaningfully integrated into a care model that traditionally only serves those seeking abstinence likely requires updates to your service model in addition to admission/discharge policies. Implementation can take time, so it is important that your staff adopt and embrace these changes and that patients actually experience the new model from first contact and throughout their journey with you.

Capacity Building 2E Payment: This project is for start-up funds. Providers will be paid before updating the service design, conducting patient walk-throughs, and developing the plan. To receive advance funds, submit the invoice below attesting to your commitment to participate. Submit the deliverables by June 30, 2024 to avoid recoument. Expenditure verification is not required.

- 2E-1. Submit attestation to complete service design expectations for approval - one per treatment agency. *Tier 1 - \$1,000, Tier 2 - \$1,500, Tier 3 - \$2,000.*
- 2E-2. Submit attestation to conduct customer experience assessment and walk-through results - \$200 (one per contracted DMC certified or licensed site). *Tier 1 - \$200 per site, Tier 2 - \$200 per site, Tier 3 - \$200 per site.*
- 2E-3. Submit attestation to develop an improvement and investment plan - one per treatment agency. *Tier 1 - \$5,000, Tier 2 - \$7,500, Tier 3 - \$10,000.*

Incentive Deliverable 2F

Establish Bidirectional Referrals – SUD Treatment and Harm Reduction Services

2F – Enrollment: Capacity Building 2F supports providers in establishing bidirectional referral relationships between their treatment sites and harm reduction agencies to promote new admissions in alignment with updated admission and discharge policies. This is an important step in not only establishing policies that support the R95 population and/or those who want treatment services but do not have abstinence goals, but also in ensuring that those individuals at various levels of readiness for abstinence are welcomed and admitted into care.

DPH-SAPC, in collaboration with participating providers, will develop a sample MOU. This incentive payment is designed to support the cost of developing and negotiating the MOU and creating referral pathways specifically with harm reduction partners.

Why Participate? Partnering with harm reduction and overdose prevention hubs are keys ways to reach individuals who continue to use substances but would benefit from engaging clinical services and to be available if abstinence goals change. These funds enable treatment agencies to build effective referral partnerships with these organizations.

Capacity Building 2F Payment:

Project 2F-1 is for start-up funds. Providers will be paid before meeting with new partners and executing MOUs. To receive advance funds, complete and submit the invoice below attesting to your commitment to participate. Submit the executed MOUs by December 31, 2023 to avoid recoupment. Expenditure verification is not required.

2F-1. Submit attestation to execute MOUs different than 2A-3 and 2B-1 up to 3 per Tier 1 treatment agency; up to 4 per Tier 2 treatment agency; and up to 5 per Tier 3 treatment agency at \$5,000 each. *Maximum Tier 1 - \$15,000, Tier 2 - \$20,000, Tier 3 - \$25,000.*

Project 2F-2 is for deliverable-based. Providers will be paid after verifying claims by completing and submitting the invoice below by June 30, 2024. Expenditure verification is not required.

2F-2. After 6 months after signed MOU, verify claims for new admissions at non-FBS site up to 10 admissions per Tier 1 treatment agency; 15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at \$500 each and patient cannot receive any participation incentive. *Maximum Tier 1 - \$5,000, Tier 2 - \$11,250, Tier 3 - \$20,000.*

Capacity Building Category: Fiscal and Operational Efficiency

Description: In July 2023, DPH-SAPC and treatment providers will experience another significant shift in how DMC services are reimbursed with the movement from cost reconciliation (lesser of costs or charges) to fee-for-service (FFS), and practitioner-level rates for outpatient services. This effectively means once a claim has been approved and paid, there will be no other reconciliations or payments involved for that claim.

Now more than ever, it is essential that providers take action to ensure they have a strong and viable organization, and that enough appropriate treatment services are delivered to generate sufficient revenue to cover operational costs. When revenue exceeds expenditures, agencies have the opportunity to reexamine current practices and make adjustments to increase clinical and operational efficiencies and shift those savings to new investments in patient care and their workforce and establish themselves as effective competitors in the SUD treatment marketplace. This can also ease the transition to value-based care where patient outcomes rather than service volume become the basis for reimbursement.

To ensure readiness, it is essential that providers establish and maintain an accurate and current accounting system to monitor revenue and expenditures because some fiscal accountability measures remain post-payment reform:

- The County of Los Angeles Department of Auditor-Controller (A-C) continues to conduct mandated annual fiscal compliance reviews. Key points include:

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- Historically, the majority of finding related to providers not accurately tracking revenue and expenditures attributed to the delivery of services.
- Providers will continue to submit fiscal reports for non-DMC contracts and be subject to recoupments. Recoupments have actually increased over the last three FYs:
 - FY19-20: 35%
 - FY18-19: 32%
 - FY17-18: 25%
- Though State and County will no longer require the current cost report and reconciliation process, providers are still required to submit the SAPC Fiscal Reporting Tool in order to be considered for an elevation in Tier for their rate.
- Provider agencies may be at risk of significant recoupments via fiscal compliance reviews if expenditures and revenue cannot be properly supported and/or accounted.
- Providers are still required to adhere to Generally Accepted Accounting Principles (GAAP) and the [A-C's Contract Accounting and Administration Handbook](#).

DPH-SAPC recognizes both the risks and opportunities that these changes present to providers. As the County’s administrator of the SUD network and steward of public funds, DPH-SAPC has developed a capacity building initiative designed to support providers through this transition.

Why Participate in Fiscal and Operational Efficiency Capacity Building Efforts? Your agency will get additional funding to support your accounting/financial infrastructure and increase your operational efficiency. Your participation is mutually beneficial:

- **Patients:** Effective clinical care requires efficient fiscal operations and reinvestment in patient care and direct service staff to facilitate positive treatment outcomes.
- **Agencies:** Increase your internal capacity to better manage your organization by monitoring staff’s productivity and how much resources are truly needed to run your organization, and learn where reinvestment can be made by improving operational efficiencies.

Fiscal and Operational Efficiency Capacity Building efforts are described below.

Table 3: Fiscal and Operational Efficiency Capacity Summary

#	Description	Due Date	Max Units	Payment Per Unit	Total Maximum Revenue Potential	Max SAPC Spend All 84 Contractors
3A – Accounting Infrastructure: Systems and Capacity						
3A-1	Accounting Systems and Capacity	12/31/23	1	Tier 1 - \$10,000	Tier 1 - \$10,000	\$1,115,000
				Tier 2 - \$15,000	Tier 2 - \$15,000	
				Tier 3 - \$20,000	Tier 3 - \$20,000	
3B – Expenditures and Revenue: Assessing and Enhancing Financial Health						
3B-1	Assessing & Enhancing Financial Health Training -	6/30/24	1	Tier 1 - \$10,000	Tier 1 - \$10,000	\$2,230,000
				Tier 2 - \$15,000	Tier 2 - \$15,000	
				Tier 3 - \$20,000	Tier 3 - \$20,000	
3B-2	Revenue/Expenditure Tracking Tool - <i>Utilization</i>	6/30/24	1	Tier 1 - \$10,000	Tier 1 - \$10,000	\$2,230,000
				Tier 2 - \$15,000	Tier 2 - \$15,000	
				Tier 3 - \$20,000	Tier 3 - \$20,000	

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Minimum Agency Revenue Opportunity with Full Participation	Tier 1	\$30,000
	Tier 2	\$45,000
	Tier 3	\$60,000
Maximum County (SAPC) Contribution with Full Participation		\$3,345,000

Capacity Deliverable 3A	Accounting Infrastructure: Systems and Capacity
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3A – Accounting Systems and Capacity: Capacity Building 3A gives providers funds to invest in new accounting systems and/or strengthen existing accounting systems and organizational capacity. Under this category providers may receive up to \$10,000 for the following activities:

- Purchase or upgrade of software, including accounting software, and information technology to help monitor and manage expenses and revenue.
- Enrollment of staff in accounting or business courses to increase organizational capacity.
- Formal training(s) or course(s) in non-profit organization management.
- Enrollment and participation in non-profit organizations (Center for Non-Profit Management, California Association of Non-Profits, etc.).
- Development of trackers, tools, and any report(s) that captures regular productivity or activities to facilitate easier revenue and expenditure tracking.

Why Participate? To improve fiscal capacity may take just a small investment in accounting tools or to train staff who fulfill this function but may need additional support and training to optimize your revenue and effectively transition to the new reimbursement model.

Capacity Building 3A Payment: This project is for start-up funds. Providers will be paid before investing in the accounting system and capacity options. To receive advance funds, complete and submit the invoice below attesting to your commitment to participate. Submit the summary of investment expenditures by December 31, 2023 to avoid recoupment.

3A-1. Submit attestation to expend funds on accounting system and capacity efforts - one per treatment agency. *Tier 1 - \$10,000, Tier 2 - \$15,000, Tier 3 - \$20,000.*

Capacity Deliverable 3B	Expenditures and Revenue: Assessing and Enhancing Financial Health
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3B – Revenue/Expenditure Training: Capacity Building 3B supports providers develop expenditure and revenue management skills by participating in the new CIBHS Assessing & Enhancing Financial Health training, which was developed with DPH-SAPC and will provide individualized training and technical assistance so providers can effectively conduct internal analysis and identify organizational costs, service implementation strategies to ensure costs are covered, and the development of a Revenue & Expenditure Tracking tool. Providers must identify 1-3 staff members who will actively participate and complete the training. Though CIBHS has offered similar trainings, none have offered this level of in-depth collaborative support. Additionally, a consistent concern of small- to medium-sized providers is

DPH-SAPC Capacity Building

June 21, 2023

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that attending training results in a loss of revenue as staff who attend these trainings may also be service providing staff. It also provides resources to use appropriate tools to track expenditures and revenue.

Capacity Building 3B Payment:

Project 3B-1 is for start-up funds. Providers will be paid before attending the CIBHS training and technical assistance sessions. To receive advance funds, complete and submit the invoice below attesting to your commitment to participate. Submit the attendance records, which will be validated by CIBHS, by June 30, 2024 to avoid recoupment. Expenditure verification is not required.

3B-1. Submit attestation to attend training and technical assistance - one per treatment agency.
Tier 1 - \$10,000, Tier 2 - \$15,000, Tier 3 - \$20,000.

Project 3B-2 is deliverable based. Providers will be paid after use of the Revenue/Expenditure Tool for at least 6-months and it shows they have successfully monitored, maintained, and documented their revenues and expenditures and it is submitted and deemed complete. Complete and submit the invoice below and attach the deliverable by June 30, 2024 for payment. Expenditure verification is not required.

3B-2. Submit Revenue/Expenditure Tool and demonstrate use for at least 6-months - one per treatment agency. *Tier 1 - \$10,000, Tier 2 - \$15,000, Tier 3 - \$20,000.*

Invoice Process for Capacity Building Categories 1, 2, and 3

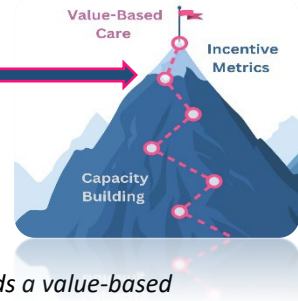
START-UP FUNDS

- Once an agency has decided which capacity building efforts to participate in that permit advance payment (start-up funds), submit *Invoice #1 – Capacity Building Start-Up Funds Attestation and Invoice* with the selected eligible efforts identified, attest to submitting the deliverable by the due date, and indicate intention to participate in other deliverable-based efforts as applicable. Invoice #1 can be submitted anytime, however, payments will not be made until after July 1, 2023.
- The following capacity building efforts are eligible for start-up funds: 1C-1, 1D-1, 2A-1, 2A-2, 2A-3, 2B-1, 2C-1, 2E-1, 2E-2, 2E-3, 2F-1, 3A-1, and 3B-1.

DELIVERABLE BASED

- Once an agency has completed capacity building efforts that are deliverable-based in accordance with the above requirements, and any subsequent guidance, submit *Invoice #2 – Capacity Building Deliverables Attestation and Invoice* and provide relevant justification and substantiating documents for SAPC review, approval, and payment.
- The following capacity building efforts are deliverable-based: 1A-1, 1B-1, 1D-2, 2B-2, 2C-2, 2D-1, 2D-2, 2D-3, 2F-2, and 3B-2.

Substance Abuse Prevention and Control (SAPC) Fiscal Year (FY) 2023-2024 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.

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

DPH-SAPC Incentive Metrics

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		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	To determine the number of LPHA needed, divide the number of SUD counselors by 15. If the calculated number is not a whole number, agencies will only receive this incentive if they at least maintain a 1:15 LPHA-to-SUD counselor ratio	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3
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 and 2D and one other R95 criteria specified in the capacity building document	\$30,000-Tier 1 \$45,000-Tier 2 \$60,000-Tier 3
3.	Medications for Addiction Treatment (MAT)	3a	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
		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.

DPH-SAPC Incentive Metrics

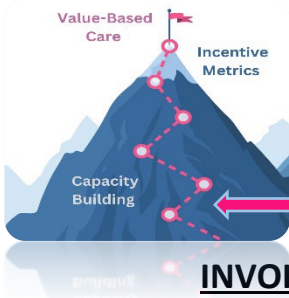
June 21, 2023

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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.



Substance Abuse Prevention and Control (SAPC) Fiscal Year (FY) 2023-2024 Capacity Building Package

INVOICE 1: CAPACITY BUILDING START-UP FUNDS ATTESTATION

The Los Angeles County Department of Public Health’s Division of Substance Abuse Prevention and Control (DPH-SAPC) is funding capacity building efforts to support providers as they take the necessary organizational actions in response to the expected changes under the California Advancing and Innovating Medi-Cal (CalAIM) Initiative and the movement towards value-based care under payment reform, as well as increased training requirements for substance use disorder (SUD) counselors in 2025 with AB 2473. DPH-SAPC is embarking on another round of optional capacity building efforts to support its provider network with development in the 3 areas below.

Instructions

This invoice is used when agencies claim start-up funds for eligible capacity building efforts; AND also indicates intent to participate in deliverable-based capacity building efforts (which can be updated at a later date by producing the deliverable). Efforts eligible for start-up funds include:

- **Workforce Development:** 1C-1, 1D-1
- **Access to Care – Reaching the 95%:** 2A-1, 2A-2, 2A-3, 2B-1, 2C-1, 2E-1, 2E-2, 2E-3, 2F-1
- **Fiscal and Operational Efficiency:** 3A-1, 3B-1

The following information needs to be included:

START-UP FUNDS TABLES

1. **Units:** Enter the number of units you are seeking for reimbursements and are expected to be completed. Units may not exceed the amount identified under the “Max Units” for your assigned Rates Tier.
2. **Requested Amount/Tier:** Enter the total cost per your assigned Rates Tier for the total number of units. Contact SAPC’s Finance Services Branch at the email below for questions.
3. **Attestation:** If your agency intends to participate in an effort, review the attestation summary (see SAPC FY 23-24 Capacity Building document for full details) and requirements.
4. **Sign:** Insert e-signature confirming the requested and eligible amount and to affirm agreement with the attestation language and above referenced document.

DELIVERABLE EFFORT TABLES

5. **Intent for Other Efforts:** Indicate if your agency intends to participate in other listed capacity building efforts that are deliverable based by indicating ‘yes’, ‘no’, or ‘maybe’. This is non-binding and agencies can participate at any time prior to the due date.

Capacity Building payments will be distributed through your DMC-ODS Contract and are subject to all federal, state, and County’s audits and verification reviews. Providers must accurately account for funds in accordance with County accounting procedures, including separate cost centers. For additional questions please email SAPC’s Finance Services Branch at SAPC-CBI@ph.lacounty.gov. Please provide the following information:

Agency Name:		Tier:	
Capacity Building Contact Person:		Email:	
# Registered Counselors Agencywide:		# DMC Contract Sites:	

Capacity Building Category: Workforce Development

Description: DMC-ODS and CalAIM initiatives will transform the specialty SUD service system for Medi-Cal clients and continue to increase expectations for the workforce in the form of higher clinical, documentation, and outcome standards. DPH-SAPC has prioritized workforce development as a central component to advancing the SUD field and moving towards parity with physical and mental health systems.

The following Workforce Development Capacity Building efforts are eligible for **START-UP FUNDS** in **ADVANCE** of deliverable completion:

#	Description	Due Date	Max Units	Payment Per Unit	Enter Units	Enter Tier/Amount	Attestation to Receive Start-Up Funds*	e-sign if Participating
1C – Workforce Development and Retention Plan								
1C-1	Sustainability Plan	6/30/2024	1	Tier 1 - \$20,000	1		By signing, and as a condition of receiving start-up funds, I attest to complete a viable workforce development and retention sustainability plan and submit it to SAPC by 6/30/24 to avoid recoupment.	
				Tier 2 - \$30,000				
				Tier 3 - \$40,000				
1D – Counselor Expedited Training and Certification								
1D-1	Tuition/Paid Time Off	3/31/2024	N/A	Tier 1 - \$2,500pp			By signing, and as a condition of receiving start-up funds, I attest to verify use of these funds for tuition, supplies, and time-off costs for registered counselors on the attached form to become certified, confirm they were employed with us by 4/1/23 and deliver direct services via Sage-EHR.	
				Tier 2 - \$2,500pp				
				Tier 3 - \$2,500pp				

* SAPC will release funds at the following scheduled payment date and provided a contract augmentation is not required and subject verification that the registered counselor names provided are eligible to participate.

The following Workforce Development Capacity Building efforts are reimbursed **AFTER** deliverable completion:

#	Description	Due Date	Max Units	Payment Per Unit		Intent to Implement and Submit Deliverable and Invoice by Due Date	Yes/No/Maybe
1A – Agency-Level Survey on Workforce							
1A-1	Agency Survey <i>(*required)</i>	8/30/2023	1	Tier 1 - \$10,000		Does your agency plan to complete the agency survey and submit by the due date to receive the deliverable payment for this project?	
				Tier 2 - \$15,000			
				Tier 3 - \$20,000			
1B-1	Staff Survey Summary	12/31/2023	1	Tier 1 - \$5,000		Does your agency plan to complete the staff survey and summary and submit by the due date to receive the deliverable payment for this project?	
				Tier 2 - \$7,500			
				Tier 3 - \$10,000			
1D – Counselor Expedited Training and Certification							
1D-2	Certification Obtained	6/30/2025	N/A	Tier 1 - \$2,500pp		Does your agency plan to continue to support registered counselors participating in 1D-1 complete certification between 7/1/23 and 6/30/25 to receive the deliverable payment for this project?	Select Choice
				Tier 2 - \$2,500pp			
				Tier 3 - \$2,500pp			

Capacity Building Category: Access to Care – Reaching the 95% (R95)

Description: SUD systems are serving about 5% of people who need treatment services as the other 95% of people who need SUD treatment either don't think they need it or don't want it. The R95 Initiative is designed to:

- Ensure that DPH-SAPC creates a specialty SUD system that is focused not just on the ~5% of people with SUDs who are already receiving and open to treatment services, but also the ~95% of people with SUDs who do not receive treatment services for any reason; and
- Communicate – through words, policies, and actions – that people with SUD are worthy of our time and attention, no matter where they are in their recovery journey, including if they have not even started process yet.

The following Reaching the 95% (R95) Capacity Building efforts are eligible for START-UP FUNDS in ADVANCE of deliverable completion:								
#	Description	Due Date	Max Units	Payment Per Unit	Enter Units	Enter Tier/Amount	Attestation to Receive Start-Up Funds*	e-sign if Participating
2A – Preparation and Planning for Outreach and Engagement								
2A-1	New Partner Entity Meetings	12/31/23	10	Tier 1 - \$1,000			By signing, and as a condition of receiving start-up funds, I attest to meet with the number of new partners entered here to reach/serve the R95 and will submit to SAPC by 12/31/23 to avoid recoupment.	
			15	Tier 2 - \$1,000				
			20	Tier 3 - \$1,000				
2A-2	New Partnership Plan	12/31/23	1	Tier 1 - \$3,000	1		By signing, and as a condition of receiving start-up funds, I attest to complete the partnership plan and will submit to SAPC by 12/31/23 to avoid recoupment.	
				Tier 2 - \$4,500				
				Tier 3 - \$6,000				
2A-3	New Executed MOU (different 2B-1, 2B-F)	12/31/23	3	Tier 1 - \$5,000	Enter # MOUs		By signing, and as a condition of receiving start-up funds, I attest to provide the number of new executed R95 MOUs entered here for health/service agency referrals and submit to SAPC by 12/31/23 to avoid recoupment.	
			4	Tier 2 - \$5,000				
			5	Tier 3 - \$5,000				
2B – Field-Based Services (FBS) for Outreach and Engagement								
2B-1	New Executed MOU (different 2A-3, 2F-1)	12/31/23	3	Tier 1 - \$5,000	Enter # MOUs		By signing, and as a condition of receiving start-up funds, I attest to provide the number of new executed FBS MOUs entered here to reach/serve the R95 and will submit to SAPC by 12/31/23 to avoid recoupment.	
			4	Tier 2 - \$5,000				
			5	Tier 3 - \$5,000				
2C – 30- and 60-Day Engagement Period for Outreach and Engagement								
2C-1	Engagement Policy	12/31/23	1	Tier 1 - \$5,000	1		By signing, and as a condition of receiving start-up funds, I attest to complete the engagement plan and staff notification/training and will submit to SAPC by 12/31/23 to avoid recoupment.	
				Tier 2 - \$7,500				
				Tier 3 - \$10,000				

Invoice 1 - Capacity Building Start-Up Funds Attestation

2E – Service Design for Lower Barrier Care							
2E-1	Service Design	6/30/24	1	Tier 1 - \$1,000	1		By signing, and as a condition of receiving start-up funds, I attest to complete the service design and will submit to SAPC by 6/30/24 to avoid recoupment.
				Tier 2 - \$1,500			
				Tier 3 - \$2,000			
2E-2	Customer Walk-Through	6/30/24	# sites	Tier 1 - \$200	Enter # Sites		By signing, and as a condition of receiving start-up funds, I attest to provide the number of site assessments entered here to reach/serve the R95 and will submit to SAPC by 6/30/24 to avoid recoupment.
				Tier 2 - \$200			
				Tier 3 - \$200			
2E-3	Improvement & Investment Plan	6/30/24	1	Tier 1 - \$5,000	1		By signing, and as a condition of receiving start-up funds, I attest to complete the improvement plan and will submit to SAPC by 6/30/24 to avoid recoupment.
				Tier 2 - \$7,500			
				Tier 3 - \$10,000			
2F – Bidirectional Referrals for Lower Barrier Care							
2F-1	New Executed MOU (different 2A-3, 2B-1)	12/31/23	3	Tier 1 - \$5,000	Enter # MOUs		By signing, and as a condition of receiving start-up funds, I attest to provide the number of executed MOUs entered here with harm reduction sites and will submit to SAPC by 12/31/23 to avoid recoupment.
			4	Tier 2 - \$5,000			
			5	Tier 3 - \$5,000			
* SAPC will release funds at following scheduled payment date provided a contract augmentation is not required and subject verification that the registered counselor names provided are eligible to participate.							

The following Reaching the 95% (R95) Capacity Building efforts are reimbursed AFTER deliverable completion:							
#	Description	Due Date	Max Units	Payment Per Unit		Intent to Implement and Submit Deliverable and Invoice by Due Date	Yes/No/Maybe
2B – Field-Based Services for Outreach and Engagement							
2B-2	Verified Episodes	6/30/24	10	Tier 1 - \$500		Does your agency plan to submit verified episodes for MOUs under 2B-1 and submit by the due date to receive the deliverable payment for this project?	
			15	Tier 2 - \$500			
			20	Tier 3 - \$500			
2C – 30- and 60-Day Engagement Period for Outreach and Engagement							
2C-2	*Verified Engagement Auths (*required)	6/30/24	10	Tier 1 - \$500		Does your agency plan to submit verified episodes for services under the 30/60-day policy and submit by the due date to receive the deliverable payment for this project which is required to participate in other R95 capacity efforts?	
			15	Tier 2 - \$500			
			20	Tier 3 - \$500			
2D – Update Admission and Discharge Policies							
2D-1	*R95 Admission Policy (*required)	12/31/23	1	Tier 1 - \$10,000		Does your agency plan to submit updated admission policy to serve R95 and submit by the due date to receive the deliverable payment for this project which is required to participate in other R95 capacity efforts?	
				Tier 2 - \$15,000			
				Tier 3 - \$20,000			
2D-2		12/31/23	1	Tier 1 - \$10,000			

	*R95 Discharge Policy <i>(*required)</i>			Tier 2 - \$15,000		Does your agency plan to submit updated discharge policy to serve R95 and submit by the due date to receive the deliverable payment for this project which is required to participate in other R95 capacity efforts?		
				Tier 3 - \$20,000				
2D-3	R95 Training Presentation	12/31/23	1	Tier 1 - \$10,000			Does your agency plan to submit a staff training presentation to serve R95 and submit by the due date to receive the deliverable payment for this project?	
				Tier 2 - \$15,000				
				Tier 3 - \$20,000				
2F – Bidirectional Referrals for Lower Barrier Care								
2F-2	Verified Claims	6/30/24	10	Tier 1 - \$500		Does your agency plan to submit verified episodes for MOUs under 2F-1 and submitting by the due date to receive the deliverable payment for this project?		
			15	Tier 2 - \$750				
			20	Tier 3 - \$1,000				

Capacity Building Category: Fiscal and Operational Efficiency

Description: Effective July 1, 2023, DPH-SAPC and treatment providers will experience another significant shift in how DMC services are reimbursed with the movement from cost reconciliation (lesser of costs or charges) to fee-for-service (FFS), and practitioner-level rates for outpatient treatment services. Now more than ever, it is essential that providers take action(s) to ensure they have a strong and viable organization, and that enough appropriate treatment services are delivered to generate sufficient revenue to cover operational costs.

The following Fiscal & Operational Efficiency Capacity Building efforts are eligible for START-UP FUNDS in ADVANCE of deliverable completion:								
#	Description	Due Date	Max Units	Payment Per Unit	Enter Units	Enter Tier/Amount	Attestation to Receive Start-Up Funds*	e-sign if Participating
3A – Accounting Infrastructure: Systems and Capacity								
3A-1	Accounting Systems and Capacity	12/31/23	1	Tier 1 - \$10,000	1		By signing, and as a condition of receiving start-up funds, I attest to invest in accounting system(s) and will submit verification to SAPC by 12/23/23 to avoid recoupment.	
				Tier 2 - \$15,000				
				Tier 3 - \$20,000				
3B – Expenditures and Revenue: Assessing and Enhancing Financial Health								
3B-1	Financial Health Training	6/30/24	1	Tier 1 - \$10,000	1		By signing, and as a condition of receiving start-up funds, I attest at least one leadership staff will attend and participate in the training/TA and will submit attendance verification to SAPC by 6/30/24 to avoid recoupment.	
				Tier 2 - \$15,000				
				Tier 3 - \$20,000				

* SAPC will release at following scheduled payment date provided a contract augmentation is not required and subject verification that the registered counselor names provided are eligible to participate.

The following Fiscal & Operational Efficiency Capacity Building efforts are reimbursed AFTER deliverable completion:							
#	Description	Due Date	Max Units	Payment Per Unit		Intent to Implement and Submit Deliverable and Invoice by Due Date	Yes/No/Maybe
3B – Expenditures and Revenue: Assessing and Enhancing Financial Health							
3B-2	Revenue Expenditure Tracking Tool - Utilization	6/30/24	1	Tier 1 - \$10,000		Does your agency plan to demonstrate use of the tool 6-months post launch and submit by the due date verification of use to receive the deliverable payment for this project?	
				Tier 2 - \$15,000			
				Tier 3 - \$20,000			

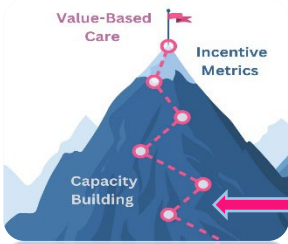
SIGNATURE AND ATTESTATION

Summary Start-Up Capacity Building Costs Based on Totals Above	
Workforce Development	\$
Access to Care – Reaching the 95%	\$
Fiscal and Operational Efficiency	\$
TOTAL	\$

I attest that the above is true and factual and that our organization will use the funds as described above and submit the required deliverables on time to avoid recoupment. I acknowledge that we must adhere and are subject to all the reporting, tracking, audits, and recoupment requirements described in this document and the DMC Contract, and verify that I have authorized decision making authority to commit to the requested funds.

Name		Signature	
Title		Date	

SAPC Use Only		
Reviewed By	Approved/Denied	Date



Substance Abuse Prevention and Control (SAPC) Fiscal Year (FY) 2023-2024 Capacity Building Package

INVOICE 2: CAPACITY BUILDING DELIVERABLE-BASED EFFORTS

The Los Angeles County Department of Public Health’s Division of Substance Abuse Prevention and Control (DPH-SAPC) is funding capacity building efforts to support providers as they take the necessary organizational actions in response to the expected changes under the California Advancing and Innovating Medi-Cal (CalAIM) Initiative and the movement towards value-based care under payment reform, as well as increased training requirements for substance use disorder (SUD) counselors in 2025 with AB 2473. DPH-SAPC is embarking on another round of optional capacity building efforts to support its provider network with development the 3 areas below.

Instructions

This invoice is used when agencies have met one or more Capacity Building Deliverables for Fiscal Year (FY) 2023-2024. This invoice should be used when seeking reimbursement for meeting the following deliverables:

- **Workforce Development:** 1A-1, 1B-1, 1D-2
- **Access to Care – Reaching the 95%:** 2B-2, 2C-2, 2D-1, 2D-2, 2D-3, 2F-2
- **Fiscal and Operational Efficiency:** 3B-2

DELIVERABLE EFFORT TABLES

In order to receive funding(s) for any of SAPC’s Capacity Building Deliverable efforts, providers must submit the following information:

1. **Amount Eligible:** Identify the reimbursement amount based on the cost per unit and your assigned Rate Tier. Contact SAPC’s Finance Services Branch at the email below for questions.
2. **E-Signature:** Sign each applicable section indicating you have confirmed that your agency’s deliverable(s) meet the expectation(s) in accordance with the *SAPC FY 23-24 Capacity Building Package* document and any other supplemental guidance from SAPC.
3. **Documentation:** Provide a brief description of how the deliverable(s) were met and attach the relevant deliverable(s) for review and verification of completion.

Capacity Building payments will be distributed through your DMC-ODS Contract and are subject to all federal, state, and County’s audits and verification reviews. Providers must accurately account for funds in accordance with County accounting procedures, including separate cost centers. For additional questions please email SAPC’s Finance Services Branch at sapc-cbi@ph.lacounty.gov. Please provide the following information:

Agency Name:		Tier:	
Capacity Building Contact Person:		Email:	

Capacity Building Category: Workforce Development

Description: DMC-ODS and CalAIM initiatives will transform the specialty SUD service system for Medi-Cal clients and continue to increase expectations for the workforce in the form of higher clinical, documentation, and outcome standards. DPH-SAPC has prioritized workforce development as a central component to advancing the SUD field and moving towards parity with physical and mental health systems.

Capacity Building Category		Description	Measure	Amount Eligible	e-sign if Complete
1A & B	Workforce Development & Retention Plan	1A-1	Agency Survey (*required)	Submit completed survey & summary of findings. Due 8/30/23.	
		1B-1	Staff Survey Summary	Submit completed survey & summary of findings. Due 12/31/23.	
				Total Requested	\$

Narrative, Supporting Material, Attachments

Capacity Building Category			Description	Measure	Amount Eligible	e-sign if Complete
1D	<i>Counselor Expedited Training & Certification</i>	1D-2	Certification Obtained	Verify that registered counselor(s) passed the certification exam between 7/1/23 and 6/30/25 – \$2,500 per SAPC-credentialed direct service registered counselor employed as of April 1, 2023. Due 6/30/25.	Enter # Units	
					Enter Total \$	
					Total Requested	\$

Narrative, Supporting Material, Attachments

Capacity Building Category: Access to Care – Reaching the 95% (R95)

Description: SUD systems are serving about 5% of people who need treatment services as the other 95% of people who need SUD treatment either don't think they need it or don't want it. The R95 Initiative is designed to:

- Ensure that DPH-SAPC creates a specialty SUD system that is focused not just on the ~5% of people with SUDs who are already receiving and open to treatment services, but also the ~95% of people with SUDs who do not receive treatment services for any reason; and
- Communicate – through words, policies, and actions – that people with SUD are worthy of our time and attention, no matter where they are in their recovery journey, including if they have not even started process yet.
-

Capacity Building Category			Description	Measure	Amount Eligible	e-sign if Complete
2B	<i>Field-Based Services for Outreach & Engagement</i>	2B-2	Verified Episodes	After at least 6 months after signed MOU, verify claims for new admissions at FBS site up to 10 admissions per Tier 1 treatment agency; 15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at \$500 each and patient cannot receive any participation incentive. Due 6/30/24.		
					Enter # Units	
					Enter Total \$	
					Total Requested	\$

Narrative, Supporting Material, Attachments

Capacity Building Category			Description	Measure	Amount Eligible	e-sign if Complete
2C	30-and 60-Day Engagement Period for Outreach & Engagement	2C-2	Verified Engagement Authorizations (*required)	After 6 months after policy approval, verify claims for services provided under an approved 30-to 60-day authorization up to 10 admissions per Tier 1 treatment agency; 15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at \$500 each and patient cannot receive any participation incentive. Due 6/30/24.		
					Enter Total \$	
					Total Requested	\$

Narrative, Supporting Material, Attachments

Capacity Building Category		Description	Measure	Amount Eligible	e-sign if Complete
2D	Update Admission & Discharge Policies	2D-1	R95 Admission Policy (*required) Submit compliant admission policy for approval. Due 12/31/23.		
		2D-2	R95 Discharge Policy (*required) Submit compliant discharge policy for approval. Due 12/31/23.		
		2D-3	R95 Training Presentation Submit compliant training presentation for approval. Due 12/31/23.		
				Total Requested	\$
Narrative, Supporting Material, Attachments					

Capacity Building Category			Description	Measure	Amount Eligible	e-sign if Complete
2F	<i>Bidirectional Referrals for Lower Barrier Care</i>	2F-2	Verified Claims	After 6 months after signed MOU, verify claims for new admissions at non-FBS site up to 10 admissions per Tier 1 treatment agency; 15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at \$500 each and patient cannot receive any participation incentive. Due 6/30/24.		
					Enter # Units	
					Enter Total \$	
					Total Requested	\$

Narrative, Supporting Material, Attachments

Capacity Building Category: Fiscal and Operational Efficiency

Description: Effective July 1, 2023, DPH-SAPC and treatment providers will experience another significant shift in how DMC services are reimbursed with the movement from cost reconciliation (lesser of costs or charges) to fee-for-service (FFS), and practitioner-level rates for outpatient treatment services. Now more than ever, it is essential that providers take action(s) to ensure they have a strong and viable organization, and that enough appropriate treatment services are delivered to generate sufficient revenue to cover operational costs.

Capacity Building Category			Description	Measure	Amount Eligible	e-sign if Complete
3B	<i>Expenditures & Revenue: Assessing & Enhancing Financial Health</i>	3B-2	Revenue and Expenditure Tracking Tool - Utilization	Submit Revenue/Expenditure Tool and demonstrate use for at least 6-months - one per treatment agency. Due 6/30/24.		
					Total Requested	\$

Narrative, Supporting Material, Attachments

SIGNATURE AND ATTESTATION

Summary Deliverable Capacity Building Costs Based on Totals Above	
Workforce Development	\$
Access to Care – Reaching the 95%	\$
Fiscal and Operational Efficiency	\$
TOTAL	\$

I attest that the above is true and factual and that our organization will use the funds as described above and submit the required deliverables on time to avoid recoupment. I acknowledge that we must adhere and are subject to all the reporting, tracking, audits, and recoupment requirements described in this document and the DMC-ODS Contract, and verify that I have authorized decision making authority to commit to the requested funds.

Name		Signature	
Title		Date	

SAPC Use Only		
Reviewed By	Approved/Denied	Date

**Substance Abuse Prevention and Control (SAPC)
Fiscal Year (FY) 2023-2024 Incentive Metrics Package**



INVOICE 3: INCENTIVE METRICS COMPLETION VERIFICATION

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(s)
2. Access to Care: Reaching the 95%
3. Medications for Addiction Treatment (MAT)
4. Optimizing Care Coordination
5. Enhancing Data Reporting

Instructions

This invoice is used when agencies have met one or more incentive metrics for Fiscal Year (FY) 2023-2024. Since most incentive metrics are deemed complete when looking at data for the entire FY for the entire agency, the invoice will generally be submitted after the close of the FY (on or after July 1, 2024).

INCENTIVES TABLES

In order to receive funding(s) for any of SAPC’s Incentive activities, providers must submit the following information:

1. **Amount Eligible:** Enter the reimbursement amount based on your assigned Rate Tier. Contact SAPC’s Finance Services Branch at the email below for questions.
2. **E-Signature:** Sign each applicable section indicating you have confirmed that your agency’s data, in consideration of data from all contracted sites and within the designated period(s), achieves the metric(s) in accordance with the *SAPC FY 23-24 Incentive Metrics Package* document and any other supplemental guidance from SAPC.
3. **Documentation:** Provide a brief description of how the incentive metric(s) were met and attach relevant documentation for review and verification of adherence.

Incentive Metrics payments will be distributed through your DMC-ODS Contract and are subject to all federal, state, and County’s audits and verification reviews. Providers must accurately account for funds in accordance with County accounting procedures, including separate cost centers. For additional questions, please email SAPC’s Finance Services Branch at sapc-CBI@ph.lacounty.gov.

Agency Name:		Tier:	
Capacity Building Contact Person:		Email:	

Incentive Category		Quality Incentive Metric	Measure	Amount Eligible	e-sign if Complete
1.	Workforce Development	1a The percent of certified SUD counselors is at least 40% among all SUD counselors employed within an agency by 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/Network Adequacy Certification Tool (NACT)		
		1b The agency-wide ratio for Licensed Practitioner of the Healing Arts (LPHA)-to-SUD counselor ratio is at least 1:15 (i.e., one (1) LPHA for every fifteen (15) SUD counselors) by June 30 th of the fiscal year	To determine the number of LPHA needed, divide the number of SUD counselors by fifteen (15). If the calculated number is not a whole number, agencies will only receive this incentive if they at least maintain a 1:15 LPHA-to-SUD counselor ratio		
				Total Requested	\$
Narrative, Supporting Material, Attachments					

Incentive Category			Quality Incentive Metric	Measure	Amount Eligible	e-sign if Complete
2.	Access to Care	2a	Meet specified "R95 Champion" criteria by June 30th of the fiscal year	To qualify as a R95 Champion, implement at least all components of 2C and 2D and one (1) other R95 criteria specified in the capacity building document		
					Total Requested	\$
Narrative, Supporting Material, Attachments						

Incentive Category		Quality Incentive Metric	Measure	Amount Eligible	e-sign if Complete
3.	Medications for Addiction Treatment (MAT)	3a 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		
		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		
				Total Requested	\$
Narrative, Supporting Material, Attachments					

¹ Applicable MAT / Medication Service Codes are, for non-Opioid Treatment Program (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.

Incentive Category		Quality Incentive Metric	Measure	Amount Eligible	e-sign if Complete
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		
		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 thirty (30) calendar days at discharge	Numerator is the # of clients referred to other level of care at discharge and denominator is # of clients discharged		
				Total Requested	\$
Narrative, Supporting Material, Attachments					

Incentive Category			Quality Incentive Metric	Measure	Amount Eligible	e-sign if Complete
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 Health Outcomes and Data Analytics (HODA) Branch's Data Quality Report Denominator is the # of all CalOMS admission and discharge records submitted		
					Total Requested	\$
Narrative, Supporting Material, Attachments						

SIGNATURE AND ATTESTATION

Summary Incentive Metrics Costs Based on Totals Above	
Workforce Development	\$
Access to Care – Reaching the 95%	\$
Medications for Addiction Treatment (MAT)	\$
Optimizing Care Coordination	\$
Enhancing Data Reporting	\$
TOTAL	\$

I attest that the above is true and factual and that our organization met the metrics as described above. I acknowledge that we must adhere and are subject to all the reporting, tracking, audits, and recoupment requirements described in this document and the DMC-ODS Contract.

Name		Signature	
Title		Date	

SAPC Use Only		
Reviewed By	Approved/Denied	Date