



# All Treatment Provider & Sage Advisory Meeting

WELCOME

Michelle Gibson  
Deputy Division Director for Treatment Services





# COVID-19 Update

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# COVID-19 Updates

- Revised Safer at Home Order:
  - State: <https://covid19.ca.gov/stay-home-except-for-essential-needs/#rshoqas>
  - Local: <http://www.publichealth.lacounty.gov/media/Coronavirus/reopening-la.htm#orders>
- Vaccines: DPH updated the COVID-19 Vaccine documentation requirements for qualified healthcare workers and County will no longer accept a letter from employers attesting to a worker's eligibility. <http://publichealth.lacounty.gov/acd/ncorona2019/vaccine/HCWSignup/>
- **IN 20-01 COVID-19**: Allowable cost-based payments will not be automatic as occurred during the end of Fiscal Year 2019-2020, so provider action and documentation submission is required to initiate a COVID-19 cost-based payment.
  - *For agencies that would benefit from this, please initiate your request for these payments by sending substantiated costs (e.g., General Ledger detail) to Edita Mendoza at [emendoza@ph.lacounty.gov](mailto:emendoza@ph.lacounty.gov) with copy to Vella Louie at [vlouie@ph.lacounty.gov](mailto:vlouie@ph.lacounty.gov)*



# DMC-ODS & CalAIM

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# DMC-ODS Waiver Extension and CalAIM

- Federal Centers for Medicaid and Medicare Services (CMS) approved California's DMC-ODS Waiver 1-Year Extension but policy modifications (e.g., removal of residential episode caps) are still pending.
  - *Provider Advisory Committee (PAC) conducted a workgroup on 1/28/21 to begin discussions on the impact of the 30-day Statewide average residential length of stay and if programmatic adaptations may be needed.*
  - *SAPC will notify providers when changes will take effect.*
- California Advancing and Innovating Medi-Cal ([CalAIM](#)) included in Governor's budget with a launch date of January 2022 and payment reform – movement from cost reimbursement to Intergovernmental Transfers – in July 2022.
  - *Expect significant changes on the SAPC- and provider-levels with an increased need to define, enhance and maintain quality- and outcome-based services instead of a focus on the cost to deliver those services.*



# FY 2021-22 Rates Update

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## DMC-ODS Rates Negotiation Process

- SAPC, in collaboration with an actuarial firm, conducts a fiscal analysis that considers fair market rates, provider costs (as available), utilization, and required local contributions to cover treatment costs (between 10%-50% for Medi-Cal enrolled or 100% for non Medi-Cal enrolled).
- SAPC submits proposed rates to DHCS for review and approval by February 1, 2021 for the upcoming Fiscal Year.
- DHCS approves rates in the mid-late Spring.
- SAPC initiates the configuration and testing process in the EHR-Sage with the goal of readiness to submit claims by July 1.
- DHCS sets DMC rates for Opioid Treatment Programs and Medications for Addiction Treatment.



## FY 2021-2022 Highlights and Changes

- SAPC is returning to a standard base rate model for services - except continuing youth and perinatal population modifiers
- Nearly all base rates are increasing from FY 2020-21 base rates, which include an increase by the Medicare Market Basket Inflation of 2.3%.

<b>FY 21-22 Changes over Standard Base Rate</b>	
ASAM 1.0 – Outpatient	+ 15.6%
ASAM 2.0 – Intensive Outpatient	+ 14.4%
ASAM 3.1, 3.3, 3.5 – Residential	+ 8.4%
ASAM 1-WM, 2-WM, 3.2-WM, 7.7-WM, 4-WM	+ 2.3%
Case Management	+ 5.8%
Recovery Support Services	+ 33.0%
Opioid Treatment Programs	Not Applicable





# FY 2021-2022 Highlights and Changes

- Removing staff modifiers for all levels of care but still competitive with surrounding county rates.
- Increased rates grew the required local contribution without increasing volume of service units.

<b>Comparison Expenditure and Service Utilization</b>			
	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>% Difference</b>
Total Expenditures	\$178,437,064	\$255,094,616	+ 43%
Units of Services	69,174,809	66,092,376	- 4%
<b>Local Match (~30%)</b>	<b>\$53,531,119</b>	<b>\$76,528,385 (+43%)</b>	

<b>Residential Expenditure Comparison</b>			
	<b>FY 18-19 Actuals (No Staff Modifiers)</b>	<b>FY 19-20 Actuals (Staff Modifiers)</b>	<b>FY 20-21 Projected (Staff Modifiers)</b>
ASAM 3.1	\$59,198,502	\$75,267,458	\$117,042,518
ASAM 3.3	\$1,001,778	\$1,560,213	\$2,245,774
ASAM 3.5	\$35,015,403	\$72,852,334	\$99,447,197
<b>Total DMC Rates</b>	<b>\$95,215,683</b>	<b>\$149,680,005</b>	<b>\$218,735,489</b>
<b>Local Match (~30%)</b>	<b>\$28,564,705</b>	<b>\$44,904,002 (+57%)</b>	<b>\$65,620,647 (+46%)</b>



# Removal of the Staff Modifiers for FY 21-22

## REMINDER – INTENTION OF STAFF MODIFIERS:

- Intended as a short-term intervention to increase the number of Certified SUD Counselors and LPHAs.
- Required submission of zero-dollar billings for each delivered services by practitioner to determine staffing level and service mix.

## RATIONALE FOR REMOVAL OF STAFF MODIFIERS:

- Analysis indicated it did not substantially drive hiring changes but reflected current practice.
- Residential providers largely did not adhere to the zero-dollar billing requirement to substantiate attestation level.
- Substantially increased local match requirement without an appropriately commensurate increase in staff level or services.
- Greatest impact is on residentials billing at the licensed-eligible (-6.0%) and licensed (-10.6%) levels.