



BARBARA FERRER, Ph.D., M.P.H., M.Ed.
Director

MUNTU DAVIS, M.D., M.P.H.
County Health Officer

MEGAN McCLAIRE, M.S.P.H.
Acting Chief Deputy Director

DEBORAH ALLEN, Sc.D.
Deputy Director, Health Promotion Bureau

GARY TSAI, M.D.
Interim Division Director, Medical Director and Science Officer
Substance Abuse Prevention and Control
1000 South Fremont Avenue, Building A-9 East, 3rd Floor, Box 34
Alhambra, California 91803
TEL (626) 299-4101 • FAX (626) 458-7637

www.publichealth.lacounty.gov

BOARD OF SUPERVISORS

Hilda L. Solis
First District

Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District


Janice Hahn
Fourth District

Kathryn Barger
Fifth District

SAPC INFORMATION NOTICE 20-10
Supersedes IN 19-03

July 1, 2020

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

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

SUBJECT: FISCAL YEAR 2020-2021 RATES AND PAYMENT POLICY UPDATES

The Department of Public Health’s (DPH) Division of Substance Abuse Prevention and Control (SAPC) received approval from the California Department of Health Care Services (DHCS) to modify the Fiscal Year (FY) 2020-2021 Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver rates for all levels of care, except Opioid Treatment Programs (OTP), as the State sets these rates. This Information Notice (IN) outlines implementation of the new rates and corresponding standards as outlined in the FY 2020-2021 Rates and Standards Matrices, effective July 1, 2020 unless otherwise stated and includes other payment related matters.

Rate Increase Overview

American Society of Addiction Medicine (ASAM) levels of care (LOC) rates increased to continue the shift of the Substance Use Disorder (SUD) system towards parity with mental and physical health systems, and to enable Network Providers to invest in improved patient outcomes and experience. SAPC procured an actuarial firm to evaluate FY 2019-2020 rates relative to other DMC-ODS counties, other government payors, market rates for commercially covered like-services, and interim cost reports voluntarily submitted by some providers.

For FY 2020-2021, the percentage base allowable for DMC reimbursable services increased by 2.9 percent for all LOCs except 3.7 and 4 Withdrawal Management (WM), which was modified with a more significant rate increase given the medical nature of these services. SAPC continues to implement increases above the base rate for perinatal (+7.81%) and youth (+2.14%) specialized programs; direct services delivered by certified counselors (+6%), licensed-eligible services (+15%) and licensed practitioners (+20%); documentation time for all LOCs; travel time for approved field-based services; and screening for all LOCs.

DMC Staff Modifiers

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

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

<p>Licensed Practitioners</p>	<p>Individuals licensed with their respective state board (i.e., California Board of Behavioral Sciences, California Board of Psychology) and authorized to practice and limited to the following:</p> <ul style="list-style-type: none"> • Physician (MD or DO) • Nurse Practitioner • Physician Assistant • Registered Nurse • Registered Pharmacist • Clinical Psychologist • Licensed Clinical Social Worker (LCSW) • Licensed Professional Clinical Counselor • Licensed Marriage and Family Therapist 	<p>+20%</p>
-------------------------------	--	-------------

SAPC’s electronic health record (EHR), Sage, allows the enhanced rate for direct service delivery based on the *User Creation Form* submitted by the Network Provider. If the status of an employee changes (i.e., Registered to Certified Counselor, Associated Social Worker to LCSW), the rate increase is effective on the date when the Network Provider electronically submits the updated, accurate, and complete [Sage ProviderConnect User Creation Form](#) to SAPC. SAPC will not retroactively pay the enhanced rate in the event of a delayed submission of this form from Network Providers. Sage will deny claims for any performing provider who has not submitted the Sage ProviderConnect User Creation Form to SAPC.

For ASAM 1.0-AR, 1.0 and 2.1 LOCs, select the performing provider who rendered the service and the Sage system will apply the enhanced rate that corresponds to the credentials of the individual delivering the service at the time of claim’s submission.

For ASAM 3.1, 3.3 and 3.5 LOCs additional steps are required:

1. Submit the *Staff Modifier Attestation Form* for each site address and LOC, and receive approval for a qualifying staffing pattern that meets the requirements based on the table below by July 31, 2020.
2. Enter claims for all services (e.g., group, individual) delivered each day as follows:
 - a. *Clinical Day Rate*: Enter claims under a performing provider at the staffing level you selected on the attestation form. For example, if your agency selects the licensed practitioner of the healing arts (LPHA) staffing level, day rate claims should be submitted with a performing provider who is a licensed clinician/LPHA.
 - b. *Other Services Rates*: Enter other \$0.00 service claims under the actual performing provider at the agency that delivered the service (i.e., Treatment Plan-T1007, Group Counseling-H0005, Room and Board-S9976). This will demonstrate if the required service units are met.

3. Ensure that the total hours entered match or exceed the minimum weekly requirement for the LOC, except when otherwise documented in the patient's file due to other factors such as medical needs.
4. **Ensure compliance with Steps 1 through 3, otherwise claims are subject to immediate denial and recoupment** for all affected days and will need to be resubmitted under the lower rate. SAPC will closely monitor compliance and take contract action as the process was not adequately adhered to in FY 19-20. SAPC is also evaluating if this modifier should continue for the entirety of FY 20-21 and/or FY 21-22.

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

DAY RATE DIRECT SERVICE STAFFING PATTERN PER SITE					
STAFF	RESIDENTIAL LOC	MINIMUM CRITERIA	RATE INCREASE REQUIREMENT		
			+20%	+15%	+6%
Licensed Practitioner	ASAM 3.1, 3.5	Allowable licensed position(s) on-site for the delivery of at least 15-minutes of individual, family or group counseling services (not supervision) per week per LAC DMC-ODS dedicated bed.	☑	☒	☒
	ASAM 3.3	Allowable licensed position(s) on-site for the delivery of at least 30-minutes of individual, family or group counseling services (not supervision) per week per LAC DMC-ODS dedicated bed.	☑	☒	☒
Licensed or Licensed Eligible Practitioners	ASAM 3.1, 3.5	Allowable licensed-eligible position(s) on-site for the delivery of a total of at least 15-minutes of individual, family or group counseling services (not supervision) per week per LAC DMC-ODS dedicated bed; allowable licensed position(s) could be used in lieu of licensed-eligible position(s) if this time is not used to meet the 20% modifier requirement.	☑	☑	☒
	ASAM 3.3	Eligible position(s) on-site for the delivery of a total of at least 30-minutes of individual, family or group counseling services (not supervision) per week per LAC DMC-ODS bed; allowable licensed position(s) could be used in lieu of licensed-eligible position(s) if this time is not used to meet the 20% modifier requirement.	☑	☑	☒
Certified Counselors	ASAM 3.1, 3.3, 3.5	A minimum of 50% of counselors delivering direct services on-site are certified.	☑	☑	☑

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

Population Modifiers

DHCS requires programs specializing in serving pregnant and parenting women (PPW) and youth to comply with the [Perinatal Practice Guidelines](#) and [Youth Treatment Guidelines](#), respectively. This enhanced rate is designed to continue to help providers meet these expectations, in addition to other local requirements (i.e., pregnancy intention services within PPW programs). Each Network Provider site that meets the criteria as a PPW or youth-tailored program, which includes identification as such on the Service and Bed Availability Tool (SBAT), automatically receives this enhanced rate for allowable DMC-ODS services. These modifiers do not apply to supplemental PPW services for transportation and childcare as the State sets these rates. PPW sites that also serve pregnant/parenting youth only receive the PPW modifier.

SAPC is developing enhanced guidelines for PPW and youth services in collaboration with network providers that will be required for continued receipt of increased rates and participation as a specialized service location.

SITE QUALIFICATIONS FOR POPULATION MODIFIERS		
Population Modifier	Criteria	Increase
Youth 12-17 years of age "HA"	<ul style="list-style-type: none"> • Experience serving youth (ages 12 through 17) in 2 of the last 7 years. • Demonstrated experience using evidence-based practices that are specific to youth. • Counselors and/or LPHAs providing direct SUD treatment services to youth, young adults and families have a minimum of 2 years' experience providing youth services, which includes working with youth who are runaways, victims of abuse and pregnant or with children. • Policies and procedures for addressing the needs of youth with SUD, such as ensuring developmentally appropriate services, family involvement, composition of group counseling, etc. • Network Provider owner, key staff, and all individuals providing direct services to youths passed a background investigation to the satisfaction of County. • Listed on the SBAT as a qualified site. 	2.14%

<p>Pregnant or Parenting Women</p> <p>“HD”</p>	<ul style="list-style-type: none"> • Current DMC certification for perinatal services. • Counselors and/or LPHAs providing direct SUD treatment services to perinatal women must have minimum of 2 years of experience providing women- specific evidence-based or best practices which includes, but is not limited to: Trauma-Informed and Integrated Trauma Services, relational or cultural approaches that focus on the relevance and centrality of relationships, assessing and reviewing the history of interpersonal violence, women-only therapeutic environments, parenting support, parenting skills, and family reunification services as applicable. • Listed on the SBAT as a qualified site. 	<p>7.81%</p>
--	--	--------------

Documentation Time

To support Network Providers’ ability to effectively document delivered services, practitioners will be able to claim the amount of time required to draft the note in the EHR as follows, and commencing upon Sage configuration unless otherwise noted in the attached instructions form:

Service-Based LOC: For ASAM 1.0-AR, 1.0 and 2.1, up to 10-minutes of documentation time per patient for group services using 1-minute increments and up to 15-minutes for individual services in 15-minute increments.

Day Rate-Based LOC: For ASAM 3.1, 3.3, 3.5, 1-WM, 2-WM, 3.2-WM, 3.7-WM, and 4-WM, SAPC incorporated the cost of documentation into the daily rate. Separate claim submissions are not permitted. Daily or per service notes are now required for these levels of care; the weekly note allowance has been discontinued effective July 1,2020.

Per DHCS, and as outlined in the DMC-ODS State-County Intergovernmental Agreement, time spent (e.g., start and end time) documenting service delivery must be included in a Progress Note or Miscellaneous Note in addition to the time spent (e.g., start and end time) conducting the service to avoid disallowance. SAPC will monitor this requirement.

Travel Time

When providing Outpatient (ASAM 1.0-AR, 1.0) or Intensive Outpatient (ASAM 2.1) treatment services for at least 60-minutes at a SAPC approved Field-Based Service location, the performing provider (e.g., SUD Counselor) will be able to add travel time to and from the approved location, up to 30-minutes each way, unless otherwise approved in the Field-Based Service application and based on a SAPC identified gap in network adequacy (e.g., Antelope Valley, Catalina Island). The Progress Note or Miscellaneous Note must include the start and end time of the travel in each direction in addition to the start and end time of the direct service.

Screening and Referral Connections

To improve the patient experience and reduce unnecessary paperwork, any individual who first presents at a Network Provider must receive either the electronic Youth Engagement Screener (ages 12 through 17) or ASAM CO-Triage screener (18 years of age and older) to determine the Provisional LOC prior to receipt of the full ASAM assessment. Providers must also complete the new *Referral Connections Form*, which outlines attempts to make an appointment for a full ASAM Assessment and the associated outcome. Maximum payment per patient per day per provider agency is \$30.00 in all LOCs. The screening is not separately reimbursable when also claiming the Clinical Day rate on the same day.¹

A Youth Engagement Screener or CO-Triage screening is not reimbursable when referrals originate from the Client Engagement and Navigation Services (CENS), Connecting to Opportunities for Recovery and Engagement (CORE) Centers, or the Substance Abuse Service Helpline (SASH).

Opioid Treatment Programs

National Drug Codes

Under the DMC-ODS, OTPs must offer Buprenorphine-Mono, Buprenorphine- Naloxone, Disulfiram, and Naloxone in addition to methadone.² The National Drug Code (NDC), according to DHCS' [Information Notice 19-033](#) and the [NDC MAT List](#), must be included in all claims for additional Medications for Addiction Treatment (MAT), excluding methadone, beginning July 1, 2019. Furthermore, to enable Buprenorphine prescribing, qualified prescribers must have the required Drug Enforcement Administration (DEA) X-Waiver.

Counseling Requirements

Patients in OTP settings can receive individual and/or group counseling in excess of 200 minutes (20 10-minute increments) per month if medically justified and documented in the beneficiary record.³

HIV and HCV Testing

DHCS factored in the cost to conduct the Human Immunodeficiency Virus (HIV) and the Hepatitis C Virus (HCV) tests within the OTP rates. As such, this service must be documented via the claims system at a \$0.00 rate value.

¹ Day Rate Based LOCs include ASAM levels 1-WM, 2-WM, 3.2-WM, 3.7-WM, 4-WM, 3.1, 3.3, 3.5.

² [DHCS MHSUDS Information Notice 18-036](#) or as subsequently modified by the State.

³ [DHCS MHSUDS Information Notice 15-028](#) or as subsequently modified by the State.

Recovery Bridge Housing

RBH rates for adult and PPW locations continue at \$50.00 and \$55.00 per person per day respectively. Children accompanying the parent in a qualified PPW program are reimbursed at the same rate as the parent. Additional information on the PPW benefit is included in the Pregnant and Parenting Specialization Enhanced Rates and Staffing Modifiers matrix and the most current version of the Provider Manual.

Room and Board

The Room and Board rate has changed from \$53.05 to \$25.00 for all LOCs with the increases in the clinical day rate. This will require residential and withdrawal management sites to reevaluate how claims are allocated during cost reporting. If you have any questions, please reach out to your SAPC Finance Analyst.

Client Engagement and Navigation Services (CENS)

CENS hourly rate for approved co-locations continue at \$73.70 per CENS counselor which continues to support documentation and transportation requirements.

Medi-Cal Application or Transfer Pending

SAPC is phasing out the policy allowing providers to receive reimbursement in advance for patients applying for Medi-Cal or whose benefits need to be reassigned to Los Angeles County. Between July 1, 2020 and December 31, 2020 providers will be able to submit claims, with an approved authorization, up to 30 consecutive calendar days for new admissions that fit this criteria and for patients who have not already been a recipient of this opportunity at another LOC within the same network provider or at another network provider site (limit one per patient total). Because Medi-Cal benefits are generally retroactive to the date of application submission, it is essential that providers help patients submit their Medi-Cal application or transfer as soon as possible during the admission process. The provider is expected to conduct case management for this purpose and to continue delivery of services after the 30-day period while Medi-Cal is pending. Additional claims for treatment days 31+ can be submitted for reimbursement once the patient has Los Angeles County assigned Medi-Cal. SAPC will discontinue the 30-day policy on January 1, 2021.

Authorization Submission Deadline

Member authorizations and reauthorizations must be submitted to the SAPC Quality Improvement and Utilization Management Unit within thirty (30) calendar days of admission or within thirty (30) calendar days of the start date of reauthorizations. This aligns with local requirements to complete initial assessments within seven (7) days of admission for adults and 14-days for youth. This also limits financial liability and recoupment potential by ensuring completion of assessments and Treatment Plans within State DMC deadlines.

Member authorizations and reauthorizations submitted after 30 calendar days of the admission date or reassessment date indicates that medical necessity has not been established according to both State and SAPC contract requirements. In this scenario, only those services provided after medical necessity is established will be reimbursed.

Cost Reconciliation

Beginning on July 1, 2020, SAPC will resume the cost reconciliation process and settle Fiscal Year 2020-2021 at the lesser of costs or charges for treatment services. The movement to telehealth and telephone services should assist treatment network providers in continuing to admit new patients and serving current patients in accordance with the treatment plan.

Resources

The DPH-SAPC [Provider Manual](#) and the [Sage 837P Companion Guide](#) and [Sage 837I Companion Guide](#) include additional details on Network Provider requirements including treatment and billing requirements. The next edition will include additional information as outlined herein.

Effective Period

This guidance will be effective starting July 1, 2020 and will remain in effect until further revision and notification.

Additional Information

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

Attachments

GT:mg