State of California—Health and Human Services Agency
Department of Health Care Services

JENNIFER KENT
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

DATE: August 26, 2015

MHSUDS INFORMATION NOTICE NO.: 15-035

TO: COUNTY BEHAVIORAL HEALTH PROGRAM DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTOR'S ASSOCIATION
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
LICENSED RESIDENTIAL TREATMENT PROGRAMS

SUBJECT: AMERICAN SOCIETY OF ADDICTION MEDICINE (ASAM) DESIGNATION FOR RESIDENTIAL FACILITIES

The Department of Health Care Services (DHCS) will designate each residential alcohol and/or other drug treatment facility with the appropriate ASAM level of care based on the services provided at the facility.

The Drug Medi-Cal Organized Delivery System (DMC-ODS) is a Pilot program approved by the Centers for Medicare and Medicaid Services (CMS) to test a new paradigm for the organized delivery of health care services for Medicaid eligible individuals with substance use disorders. The DMC-ODS will demonstrate how organized substance use disorder care increases the success of DMC beneficiaries while decreasing other system health care costs. A critical element of the DMC-ODS Pilot includes providing a continuum of care modeled after the ASAM Criteria for substance use disorder treatment services.

CMS requires all residential providers to meet the ASAM requirements and obtain a DHCS issued ASAM designation as part of their participation in the DMC-ODS. However, residential facilities are not required to provide services as part of the DMC-ODS Pilot in order to obtain an ASAM designation with DHCS. DHCS has developed a designation program to certify that all providers of Adult and Adolescent Level 3.1 through 3.5 Residential/Inpatient Services are capable of delivering care consistent with ASAM Criteria. As part of this designation program, DHCS has developed a tool that includes the elements that define Levels 3.1 through 3.5. Over the next several months, DHCS will also be adding the ASAM designation process to the initial licensing process, so all residential providers will eventually have an ASAM designation.

Residential services for the DMC-ODS Pilot are provided in DHCS licensed residential facilities that also have DMC certification and have been designated by DHCS as capable of delivering care consistent with ASAM treatment criteria. Federal funding for residential services are currently restricted to facilities with 16 beds or fewer by interpretation of

federal law under the Institutions for Mental Diseases (IMD) exclusion. However, under the DMC-ODS Pilot, DHCS has received authority for federal financial participation for expenditures currently restricted under the IMD exclusion, which will allow residential services to be provided in facilities with no bed capacity limit. The DMC-ODS Pilot seeks to demonstrate that residential services as part of a continuum of care without a bed limit provides effective outcomes for beneficiaries in their substance use disorder treatment and is likely to have a positive impact on other systems.

Levels 3.1 through 3.5 are described in the table below:

ASAM Level of Care	Service Name	Description of Care
3.1	Clinically Managed Low-Intensity Residential Services	24-hour structure with available trained personnel; at least 5 hours of clinical service per week and preparation for outpatient treatment.
3.3	Clinically Managed Population-Specific High-Intensity Residential Services	24-hour care with trained counselors to stabilize multidimensional imminent danger. Less intense milieu and group treatment for those with cognitive or other impairments unable to use the full active milieu or therapeutic community and preparation for outpatient treatment. (Note: this level is not designated for adolescents).
3.5	Clinically Managed High-Intensity Residential Services	24-hour care with trained counselors to stabilize multidimensional imminent danger and preparation for outpatient treatment. Able to tolerate and use the full milieu or therapeutic community.

The DMC-ODS is being implemented in regional phases modeled after the County Behavioral Health Director's Association boundaries for each region. Phase One consists of Bay Area counties; Phase Two consists of the Southern counties; Phases Three and Four will consist of Central and Northern counties; and Phase Five will consist of Tribally operated and urban Indian health providers. The ASAM level of care designation process for residential treatment facilities will follow the phases of the DMC-ODS Pilot. Counties may choose whether to opt into the DMC-ODS Pilot and residential providers are not limited to offering DMC-ODS services solely in the county where the facility is located.

Instead, residential providers may enter into a contract(s) with any county participating in the DMC-ODS pilot.

Prior to the start of each phase, DHCS will notify each residential treatment facility within the regional area, to complete the ASAM Questionnaire located through DHCS's website at http://www.dhcs.ca.gov/provgovpart/Pages/Drug-Medi-Cal-Organized-Delivery-System.aspx. The ASAM Questionnaire is designed to determine the ASAM level(s) of care that is provided by each facility and DHCS is requesting the facility to return the completed questionnaire to DHCS within 30-days of the receipt of the notification. DHCS will conduct a follow-up call with each designated facility representative to discuss the responses on the tool and will determine the appropriate provisional ASAM designation level(s) for the facility based on the facility's responses. A revised license will be sent to each facility, which will reflect the provisional ASAM designation(s). The appropriate county administrators will also be notified and the DHCS website will be updated to reflect each facility's ASAM designation status.

Additional details pertaining to the general requirements of the ASAM Designation can also be accessed through the above-mentioned website. If you have any questions concerning this notice, please contact Ilana Rub with the Substance Use Disorder Compliance Division of DHCS at (916) 552-9690 or by email at ilana.rub@dhcs.ca.gov.

Sincerely,

Original signed by

Karen Baylor, Ph.D., LMFT, Deputy Director
Mental Health & Substance Use Disorder Services