



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

DATE: December 18, 2015

MHSUDS INFORMATION NOTICE NO: 15-054

TO: COUNTY BEHAVIORAL HEALTH PROGRAM DIRECTORS
COUNTY DRUG AND ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS

SUBJECT: DRUG MEDI-CAL ORGANIZED DELIVERY SYSTEM WAIVER COUNTY
IMPLEMENTATION FISCAL PLAN GUIDE

The Department of Health Care Services (DHCS) received approval on August 13, 2015, from the Centers for Medicare & Medicaid Services (CMS) to implement the Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver. This letter transmits the instructions and template for submitting county fiscal plans.

DHCS will review county implementation plans through a regional approach with five phases. DHCS will focus on Phase One (Bay Area) Counties initially, then will continue to review county implementation plans of the remaining four phases (Phase Two: Southern California Counties, Phase Three: Central Valley, Phase Four: Northern California Counties, Phase Five: Tribal Partners) subsequently.

To expedite the plan approval process, counties should provide all elements specified in the implementation plan guide. Items not provided may result in a delay of implementation plan approval. Additionally, CMS will review county implementation plans simultaneously with DHCS and will work with the department for any follow-up questions. While awaiting approval, counties are encouraged to move forward with the required American Society of Addiction Medicine Criteria training. DHCS will notify counties upon approval of the county implementation plan.

If you have any questions regarding the submission of your county DMC-ODS Waiver Implementation Plan and Fiscal Plan, contact Marlies Perez at Marlies.Perez@dhcs.ca.gov.

Sincerely,

Original signed by

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

Attachment

DMC-ODS Annual County Fiscal Plan

County: _____ Fiscal Year: _____

Counties are required to submit an Annual County Fiscal Plan for the continuum of care identified in the DMC-ODS. DHCS will review and approve the Annual Fiscal Plan as a part of the overall approval to participate in the DMC-ODS.

Part 1: Required Services

When completing the projections and proposed interim rates chart, please note the following:

- The projected expenditure must be calculated as full funds expenditures, including both federal and matching local funds. The total projected expenditures should be calculated consistent with federal Medicaid requirements related to administration, indirect and direct service costs, and interim payment and cost settlement requirements.¹
- The fiscal year for the proposed Fiscal Plan should be clearly identified.
- Projected units of service should include the total covered service utilization estimate for each modality for the fiscal year indicated. The service units claimed must conform to the service descriptions outlined in the terms and conditions of the Waiver and the Short Doyle 2 claiming instructions provided by DHCS.
- Projected Medi-Cal beneficiaries include all beneficiaries who will be served for each modality of service. This count will not be a unique client count. For example, if one beneficiary is projected to receive residential and Opioid (Narcotic) Treatment services, the beneficiary will be included in both modalities on the chart.
- Levels 3.7 and 4.0 for Residential and Levels 3.7 and 4 for Withdrawal Management are paid for through the Fee-for-Service System. Counties will not fund these services through the DMC-ODS system. However, DHCS would like projected client counts for these modalities.
- Proposed rates must be developed for each required and (if indicated) optional service modality. The proposed rates must be developed consistent with the terms and conditions of the Waiver, written guidance provided by DHCS and federal certified public expenditure (CPE) requirements related to interim payments, and are subject to annual reconciliation and settlement. Space is provided to outline the proposed interim rate-setting methodology used for each modality, including the sources of information utilized, such as previous years' filed cost reports, approved medical inflation factors and any other sources used consistent with guidance related to federal health care programs.

¹ DHCS MHSUD Information Notice 15-034

Estimated Utilization and Proposed Interim Rates

Service Modality (funded by DMC)	FY _____ Projected Total Funds Expenditures	Projected Total Units of Service to be Delivered	Projected Total Medi-Cal Beneficiaries to be served	Proposed Interim Rate per Unit of Service
Outpatient				
Intensive Outpatient				
Recovery Services				
Case Management				
Physician Consultation				
Withdrawal Management				
Level 1-WM				
Level 2-WM				
Level 3.2-WM				
Residential				
Level 3.1				
Level 3.3				
Level 3.5				

Interim Rates Methodology:

Part 2: Optional Services

Counties are not required to provide the optional services listed below. If the county plans on providing these services in their continuum of care, DHCS would like counties to provide information for the selected option service to be covered.

Service Modality (funded by DMC)	FY _____ Projected Total Funds Expenditures	Projected Total Units of Service to be Delivered	Projected Total Medi-Cal Beneficiaries to be served	Proposed Interim Rate per Unit of Service
Additional Medication Assisted Treatment				
Partial Hospitalization				

Interim Rates Methodology:

Proposed Rates: Summary Page for FY _____

Services Provided by Modality (funded by DMC-ODS)	Billing/ Unit of Service (minutes, day, hour)	Proposed Rate
Outpatient	15 minute increments	
Intensive Outpatient	Per Day	
Recovery Services	15 minute increments	
Case Management	15 minute increments	
Physician Consultation	15 minute increments	
Withdrawal Management		
Level 1-WM	Per Day	
Level 2-WM	Per Day	
Level 3.2-WM	Per Day	
Level 3.7 and 4-WM	Funded through Fee-for-Service System	
Residential		
Level 3.1	Bed Day	
Level 3.3	Bed Day	
Level 3.5	Bed Day	
Levels 3.7 and 4	Funded through Fee-for-Service System	
Opioid (Narcotic Treatment Programs)	Rate Set by DHCS	

Please mail or email the completed Fiscal Plan to:

Department of Health Care Services

SUD Compliance Division

Attn: Marlies Perez

P.O. Box 997413, MS 2600

Sacramento, CA 95899-7413

Marlies.Perez@dhcs.ca.gov