DATE: December 9, 2020

Behavioral Health Information Notice No: 20-068

TO: California Alliance of Child and Family Services
    California Association for Alcohol/Drug Educators
    California Association of Alcohol & Drug Program Executives, Inc.
    California Association of DUI Treatment Programs
    California Association of Social Rehabilitation Agencies
    California Consortium of Addiction Programs and Professionals
    California Council of Community Behavioral Health Agencies
    California Opioid Maintenance Providers
    California State Association of Counties
    Coalition of Alcohol and Drug Associations
    County Behavioral Health Directors
    County Behavioral Health Directors Association of California
    County Drug & Alcohol Administrators
    California Hospital Association
    California Peace Officers’ Association
    California Police Chiefs’ Association
    California State Association of Counties
    California State Sheriff’s Association
    California Statewide Law Enforcement Association
    Coalition of Alcohol and Drug Associations
    Disability Rights California
    Hospital Association of Southern California
    Northern California Peace Officer Association
    Private Essential Access Community Hospitals
    State Park Peace Officers Association of California

SUBJECT: Reimbursement for Personal Protective Equipment and Telehealth Equipment Costs for County-Operated and County-Contracted Providers

PURPOSE: Inform providers that the costs of purchasing personal protective equipment (PPE) for providers, staff and clients and the costs of purchasing telehealth equipment for providers and staff is an allowable cost of providing care.
REFERENCE: State Plan Amendment 09-004, State Plan Amendment 20-0001, and State Plan Amendment 20-0024

BACKGROUND

The COVID-19 public health emergency (PHE) required behavioral health providers to quickly pivot to a telehealth delivery model, requiring purchase of new equipment (e.g., laptops, cameras, smart phones) for providers. In addition, providers are required to purchase PPE (e.g., masks, gloves, gowns, hand sanitizer) to prevent the spread of infection; these costs were not anticipated prior to the pandemic.

POLICY

Costs of purchasing PPE and telehealth equipment for providers and staff are allowable costs of delivering services for county-operated and county-contracted providers in Specialty Mental Health, Drug Medi-Cal (DMC), and Drug Medi-Cal Organized Delivery System (DMC-ODS). The PPE and telehealth equipment must be used to provide patient care.

The full cost of purchasing telehealth equipment and training staff during the PHE to provide DMC state plan services may be claimed as an administrative cost. Please see Behavioral Health Information Notice 20-031 for instructions on how to claim reimbursement for those costs. Mental Health Plans and DMC-ODS counties were allowed to provide specialty mental health services and substance use disorder service via telehealth prior to the PHE. The cost of purchasing telehealth equipment and training staff to provide specialty mental health services and DMC-ODS services may be included in the cost to provide services. Providers of specialty mental health services and DMC-ODS services must appropriately depreciate the cost incurred to purchase equipment.

If you have any questions regarding this Information Notice, please contact MedCCC at MedCCC@dhcs.ca.gov.

Sincerely,

Original signed by

Brian Fitzgerald, Chief
Local Governmental Financing Division