

BACKGROUND:

Health and Safety Code (HSC), Section 11833.02 authorizes DHCS to collect licensing and certification fees from alcohol or other drug (also known as substance use disorder (SUD))¹ recovery or treatment facilities licensed and/or certified by DHCS. The revenues collected fund DHCS' SUD recovery or treatment facility licensing and certification activities. Licensure and certification activities include, but are not limited to, review and processing of initial, extension, and supplemental applications; initial and biennial onsite compliance reviews; complaint investigations; administrative support; disseminating information to the public, governmental agencies, and stakeholders; updating and maintaining databases; policy, regulatory, and statutory development; provider training and technical assistance; and appeal processing for revocation or suspension of providers' licenses and/or certification.

The current fees have been in effect since July 1, 2024, for FY 2024-25. Funds in the Residential and Outpatient Program Licensing Fund and the current licensing and certification fees are not sufficient to support current or planned expenses incurred by DHCS for SUD licensing and certification activities.

HSC Section 11833.02 authorizes DHCS to increase the licensing and certification fees. Section 57 of Senate Bill 104 amended the Budget Act of 2023 and directs DHCS to increase those fees by up to twenty percent (20%) each FY through FY 2026-27 to reach a cumulative fee increase of 75 percent. Accordingly, effective July 1, 2025, DHCS is increasing the licensing and certification fees by twenty percent (20%).

POLICY:

Effective July 1, 2025, DHCS will assess the following fees for licensure and certification of residential and outpatient SUD recovery or treatment facilities:

¹ This BHIN uses "SUD" as preferred clinical terminology, consistent with the current edition of the Diagnostic and Statistical Manual of Mental Disorders, medical societies, professional organizations, recovery advocates, and [federal guidance](#) regarding the use of non-stigmatizing, person-centered language.

RESIDENTIAL LICENSURE FEES		
APPLICATION TYPE	FY 2024-25 FEE	FY 2025-26 FEE (Beginning July 1, 2025)
Initial Residential Licensure Application Fee	\$4,392	\$5,270
Application for Existing Licensee to Obtain Initial Licensure for New Facility	\$4,392	\$5,270
Initial Biennial Residential Licensure Fee	\$467 (per bed)	\$560 (per bed)
Biennial Residential Licensure Extension Fee	\$467 (per bed)	\$560 (per bed)
Adolescent Waiver Application Fee	\$2,170	\$2,604
Dependent Children Application Fee (if not requested during initial licensure application)	\$1,518	\$1,822
Supplemental Application Fee (Increase or Decrease in Bed Capacity, Target Population Change, Removal of Address or Suite, Integral Facility, Program Name Change, Legal Entity Name Change, Addition or Removal of Services - i.e., Incidental Medical Services, Detoxification, Co-ed, Prorated Bed(s), etc.)	\$1,489 (per requested amendment to licensure and/or certification)	\$1,787 (per requested amendment to licensure and/or certification)
Facility Address Update (Facility Relocation, Adding Additional Address or Suite number(s))	\$1,452 (per requested amendment to licensure and/or certification)	\$1,742 (per requested amendment to licensure and/or certification)

CERTIFICATION FEES		
APPLICATION TYPE	FY 2024-25 FEE	FY 2025-26 FEE (Beginning July 1, 2025)
Initial Outpatient Certification Application Fee	\$4,220	\$5,064
Initial Application for an Existing Certified Program to Obtain Initial Certification for New Program	\$4,220	\$5,064
Initial Biennial Outpatient Certification Fee	\$5,470	\$6,564
Biennial Outpatient Certification Extension Fee	\$5,470	\$6,564
Biennial Residential Certification Fee (for facilities having a residential license issued by another State Department). The maximum fees for beds will not exceed the biennial certification fee.	\$467 (per bed, with a maximum of \$5,470)	\$560 (per bed, with a maximum of \$6,564.00)
Supplemental Application Fee (Target Population Change, Removal of Address or Suite, Program Name Change, Legal Entity Name Change, Addition or Removal of Services - i.e., Detoxification, Co-ed, etc.)	\$1,489 (per requested amendment to certification)	\$1,787 (per requested amendment to certification)
Facility Address Update (Facility Relocation, Adding Additional Address or Suite Number(s))	\$1,452 (per requested amendment to certification)	\$1,742 (per requested amendment to certification)

COMBINED RESIDENTIAL LICENSURE AND CERTIFICATION FEES		
APPLICATION TYPE	FY 2024-25 FEE	FY 2025-26 FEE (Beginning July 1, 2025)
Initial Combined Residential Licensure and Certification Application Fee	\$5,858	\$7,030
Initial Biennial Combined Residential Licensure and Certification Fee	\$467 (per bed)	\$560 (per bed)
Biennial Combined Residential Licensure and Certification Extension Fee	\$467 (per bed)	\$560 (per bed)
All other fees are as stated in the 'Residential Licensure Fee' box		

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Licensed and/or certified SUD recovery or treatment facilities, with **an expiration date on or after July 1, 2025**, that have already submitted biennial extension fees will be invoiced for the additional amount owed due to the increased fees. The fee difference must be submitted to the Department within 60 days of the invoice date.

DHCS offers applicants and providers the option to make online payments using electronic money transfers through the Automated Clearing House (ACH) network. To pay fees electronically, providers can visit the DHCS [EFT online portal](#), select Licensing and Certification Division, and follow the instructions provided.

Licensing and/or certification fees may also be submitted by mail with an application. Make sure to reflect the facility name, license and/or certification number(s) (if applicable) on the check or money order and mail it to the following address:

Department of Health Care Services
Licensing and Certification Division
P.O. Box 997413, MS 2600
Sacramento, CA 95899-7413

For dishonored checks, an administrative fee of \$25.00 must be paid to DHCS in addition to the licensing and/or certification fees.

In addition, HSC, Section 11833.02(g) required DHCS to develop a process for programs and facilities to apply for a hardship fee waiver. DHCS issued BHIN [24-036](#) on October 31, 2024, detailing the process and eligibility requirements to apply for a hardship fee waiver.

If you have any further questions or concerns, you may contact the Officer of the Day at (916) 322-2911.

Sincerely,

Original signed by

Janelle Ito-Orille, Chief
Licensing and Certification Division