



DATE: October 5, 2026

Behavioral Health Information Notice No: 26-031

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 Program  
California Association of Mental Health Peer Run Organizations  
California Association of Social Rehabilitation Agencies  
California Consortium of Addiction Programs and Professional  
California Behavioral Health Association  
California Hospital Association  
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

SUBJECT: Medi-Cal Claiming for Evidence-Based Practices (EBPs), Other Full Service Partnership (FSP) Services, and Other Behavioral Health Services and Supports (BHSS) Early Intervention Services

PURPOSE: To provide guidance for claiming Medi-Cal for evidence-based practices (EBPs), other Medi-Cal-covered Full Service Partnership (FSP) services, and other Behavioral Health Services and Supports (BHSS) Early Intervention services consistent with Behavioral Health Services Act (BHSA) requirements.

REFERENCE: California Welfare and Institutions Code (WIC) § 5887; WIC § 5891; WIC § 5892; WIC § 5963.05



## BACKGROUND:

The Department of Health Care Services (DHCS) is committed to increasing access to and strengthening the continuum of community-based behavioral health services for Californians living with significant behavioral health needs. Central to this effort is the implementation of evidence-based practices (EBPs) and other behavioral health services that have been shown to improve health outcomes for individuals living with mental health conditions and/or substance use disorders (SUDs).

Pursuant to the Behavioral Health Services Act (BHSA), counties must implement specified EBPs and other behavioral health services in their Full Service Partnership (FSP) and Behavioral Health Services and Supports (BHSS) Early Intervention (EI) programs. In addition, the BHSA requires county behavioral health plans (BHPs)<sup>1</sup> to claim Medi-Cal for Medi-Cal-covered services delivered to Medi-Cal members.

This BHIN clarifies how BHPs must claim for Medi-Cal-covered EBPs, other FSP and other BHSS EI services, effective January 1, 2027. Identifying these services in Medi-Cal claims data will enable DHCS to accurately calculate relevant Behavioral Health Transformation (BHT) performance measures and monitor county implementation of BHSA requirements.

More information about FSP and BHSS EI requirements is available in the [BHSA Policy Manual](#).

## POLICY:

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<sup>1</sup> "BHP" is inclusive of county mental health plans (MHPs) and Drug Medi-Cal Organized Delivery System (DMC-ODS) plans. The claiming guidance in this BHIN is also applicable to select services that may be covered and claimed through the Drug Medi-Cal (DMC) delivery system, which as of January 1, 2027 will be administered by counties under a single, integrated state-county contract inclusive of BHP and DMC services.

## **Required Services**

Pursuant to the BHSA, counties are required to provide all of the following services in their FSP and BHSS EI programs:<sup>2,3,4</sup>

### FSP

- Assertive Community Treatment (ACT)
- Forensic ACT (FACT)
- Individual Placement and Support (IPS) Supported Employment
- FSP Intensive Case Management (ICM)
- High Fidelity Wraparound (HFW)
- Assertive Field-Based Initiation for SUD
- Other FSP Services, such as peer support services, recovery services, and other mental health and SUD services provided in FSP programs but not delivered as part of EBPs<sup>5</sup>

### BHSS EI

- Coordinated Specialty Care (CSC) for First Episode Psychosis
- Other BHSS EI Services, such as EBPs, community-defined evidence practices (CDEPs) and other programs and services

BHPs have the option to cover ACT, FACT, CSC, and/or IPS as bundled Medi-Cal services using unique billing codes and monthly rates. Additional information about coverage of EBPs as bundled Medi-Cal services is available in [BHIN 25-009](#) or subsequent guidance.

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<sup>2</sup> State law permits counties with a population of less than 200,000 to request exemptions from offering ACT, FACT and/or IPS in their FSP programs under the BHSA. More information is available in the [BHSA Policy Manual](#).

<sup>3</sup> See Sections A.7.5 and B.3.3 of “BHSA Components and Requirements” in the [BHSA Policy Manual](#).

<sup>4</sup> Under the BHSA, counties are also required to provide Housing Interventions; however, no Housing Interventions are claimed as SMHS, DMC, or DMC-ODS services in Short Doyle Medi-Cal. More information on Housing Interventions is available in the [BHSA Policy Manual](#).

<sup>5</sup> See Section B.3.3 of “BHSA Components and Requirements” in the [BHSA Policy Manual](#).

### **Claiming Medi-Cal for BHSA Services**

Under the BHSA, BHPs are required to claim Medi-Cal for Medi-Cal-covered services delivered to Medi-Cal members.<sup>6,7</sup> If the BHP has not opted to cover EBPs as bundled Medi-Cal services, the BHP must claim Medi-Cal for applicable “unbundled” Specialty Mental Health Services (SMHS), Drug Medi-Cal (DMC), and DMC-ODS (Drug Medi-Cal Organized Delivery System) outpatient services delivered to Medi-Cal members as part of EBPs and other FSP and other BHSS EI services. As described in [BHIN 26-XXX](#), all BHPs are required to use the monthly code for HFW; “unbundled” claiming is not permitted for HFW.<sup>8</sup>

**Effective January 1, 2027, BHPs must use the specified codes and modifiers when claiming for “unbundled” SMHS, DMC and DMC-ODS outpatient services delivered to Medi-Cal members as part of EBPs that are required under the BHSA. All BHPs, including those that have opted to cover EBPs as bundled Medi-Cal services, must use the specified codes and modifiers to identify other FSP and other BHSS EI services.**

The specified codes and modifiers will enable DHCS to:

- Identify which members are receiving EBPs and other FSP and other BHSS EI services in Medi-Cal claims;
- Ensure all services are captured in calculations for relevant BHT performance measures; and<sup>9</sup>
- Monitor county implementation of BHSA requirements.

Table 1 summarizes the codes and modifiers BHPs must use when claiming Medi-Cal for ACT, FACT, CSC and IPS, based on whether the BHP has opted to cover each EBP as a bundled Medi-Cal service.

Table 2 summarizes the codes and modifiers all BHPs must use when claiming Medi-Cal for HFW and other FSP and other BHSS EI services.

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<sup>6</sup> See Section C.2.3 of “BHT Fiscal Policies” in the [BHSA Policy Manual](#).

<sup>7</sup> This requirement includes services covered through the DMC delivery system.

<sup>8</sup> The final BHIN providing guidance on coverage of HFW is forthcoming. The requirement for BHPs to use the monthly code for HFW will not change in the final BHIN.

<sup>9</sup> See Section C.3.3 of “Behavioral Health Transformation” in the [BHSA Policy Manual](#).

Modifiers must be used on claims with dates of service of January 1, 2027 or later. The Short-Doyle Medi-Cal system will be updated to include the specified modifiers prior to January 1, 2027. DHCS will notify BHPs when modifiers are available in Short-Doyle Medi-Cal. Modifiers will be used for tracking and reporting only and will not be used for adjudication purposes. Counties should refer to DHCS guidance on [Individual Service Level \(ISL\) encounters](#) for information about reporting on FSP and EI services delivered to non-Medi-Cal members and on FSP and EI services that are not covered by Medi-Cal.

**Table 1. Medi-Cal Claiming for ACT, FACT, CSC and IPS**

| Service | Codes and Modifiers: BHP Opted to Cover Bundled Medi-Cal Service | Codes and Modifiers: BHP Has <u>Not</u> Opted to Cover Bundled Medi-Cal Service |
|---------|------------------------------------------------------------------|---------------------------------------------------------------------------------|
| ACT     | H0040 <sup>10</sup>                                              | Appropriate unbundled SMHS + modifier WJ <sup>11</sup>                          |
| FACT    | H0039                                                            | Appropriate unbundled SMHS + modifier WK                                        |
| CSC     | H2040                                                            | Appropriate unbundled SMHS + modifier WC                                        |
| IPS     | H2023                                                            | Appropriate unbundled SMHS/DMC/DMC-ODS+ modifier WD                             |

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<sup>10</sup> BHPs that opt to cover ACT and/or FACT as bundled Medi-Cal services may also claim for appropriate unbundled SMHS using modifier TS (ACT) or X1 (FACT) for a member that receives 12 or more ACT or FACT services in a month.

<sup>11</sup> ACT and FACT services claimed as unbundled SMHS do not require prior authorization, consistent with current DHCS policy for the authorization of outpatient SMHS. BHPs that opt in to covering ACT and FACT in Medi-Cal are required to impose prior authorization for ACT and FACT services, which are claimed using H0040 and H0039, respectively. See BHIN 25-009 or subsequent guidance.

**Table 2. Medi-Cal Claiming for HFW and Other FSP and Other BHSS EI Services**

| Service                                  | Codes and Modifiers: All BHPs                                 |
|------------------------------------------|---------------------------------------------------------------|
| HFW                                      | H2022 <sup>12</sup>                                           |
| FSP ICM                                  | Appropriate unbundled SMHS + modifier WI                      |
| Assertive Field-Based Initiation for SUD | Appropriate unbundled SMHS/DMC/DMC-ODS services + modifier WA |
| Other FSP Services                       | Appropriate unbundled SMHS/DMC/DMC-ODS services + modifier WF |
| BHSS EI EBPs and CDEPs                   | Appropriate unbundled SMHS/DMC/DMC-ODS services + modifier HX |
| Other BHSS EI Services                   | Appropriate unbundled SMHS/DMC/DMC-ODS services + modifier WB |

BHPs should consult the applicable Short-Doyle Medi-Cal billing manual for detailed claiming requirements.

Please contact [BH-CONNECT@dhcs.ca.gov](mailto:BH-CONNECT@dhcs.ca.gov) for questions regarding this BHIN.

Sincerely,

Original signed by

Ivan Bhardwaj, Chief

Medi-Cal Behavioral Health – Policy Division

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<sup>12</sup> HFW is a required Medi-Cal service. All BHPs must use the specified code.