



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



EDMUND G. BROWN JR.
GOVERNOR

DATE: August 3, 2018

MHSUDS INFORMATION NOTICE NO.: 18-037

TO: COUNTY BEHAVIORAL HEALTH DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
CALIFORNIA ASSOCIATION OF ALCOHOL & DRUG PROGRAM EXECUTIVES, INC.
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES
CALIFORNIA OPIOID MAINTENANCE PROVIDERS
CALIFORNIA STATE ASSOCIATION OF COUNTIES
DIRECT PROVIDERS

SUBJECT: DRUG MEDI-CAL REIMBURSEMENT RATES FOR FISCAL YEAR 2018-19

PURPOSE

This Information Notice transmits the Fiscal Year (FY) 2018-19 reimbursement rates for Drug Medi-Cal (DMC) services, effective July 1, 2018 through June 30, 2019.

DISCUSSION

The Department of Health Care Services (DHCS) developed the reimbursement rates in accordance with Welfare and Institutions Code Sections 14021.51, 14021.6 and 14021.9. These rates reflect analyses of costs for DMC services. A component of the FY 2018-19 analyses included use of a cumulative 19.4 percent Implicit Price Deflator. The rates are applicable to DMC services provided under DMC State Plan regulations. The rates also apply to Narcotic Treatment Program providers operating under the DMC Organized Delivery System Section 1115 Waiver.

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In addition, the rate for residential services provided to the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) beneficiaries is equal to the current State rate for perinatal residential services.

See [MHSUDS Information Notice 16-063](#) for billing policies for EPSDT clients.

For DMC billing for service dates on or after July 1, 2018, please refer to the following tables when populating the procedure and modifiers on the 837P electronic claim file of DMC claims submitted for adjudication.

Non-Perinatal Service Groups, Types, and Billing Codes

Service Group	Service Type	Billing Codes		
		Procedure Code	Modifier	Modifier
IOT	Intensive Outpatient Treatment	H0015		
NAL	Naltrexone (NAL) generic	S5000	HG	
NAL	Naltrexone (NAL) brand name	S5001	HG	
NTP	NTP – Individual Counseling	H0004	HG	
NTP	NTP – Group Counseling	H0005	HG	
NTP	NTP - Methadone	H0020	HG	
ODF	ODF – Individual Counseling	H0004		
ODF	ODF – Group Counseling	H0005		
RES	Residential- Short –Term – EPSDT	H0018		
RES	Residential- Long-Term – EPSDT	H0019		

Perinatal Service Groups, Types, and Billing Codes

Service Group	Service Type	Billing Codes		
		Procedure Code	Modifier	Modifier
IOT	Intensive Outpatient Treatment	H0015	HD	
NTP	NTP – Individual Counseling	H0004	HD	HG
NTP	NTP – Group Counseling	H0005	HD	HG
NTP	NTP - Methadone	H0020	HD	HG
ODF	ODF – Individual Counseling	H0004	HD	
ODF	ODF – Group Counseling	H0005	HD	
RES	Residential - Short-Term	H0018	HD	
RES	Residential – Long-Term	H0019	HD	

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REFERENCES

Sections 51516.1, Title 22, California Code of Regulations

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Sections 14021.51, 14021.6 and 14021.9, Welfare and Institutions Code

QUESTIONS

Questions regarding the DMC rates may be directed to Shirley Nadan at (916) 713-8631 or Shirley.Nadan@dhcs.ca.gov.

Sincerely,

Original signed by

Brenda Grealish, Acting Deputy Director
Mental Health & Substance Use Disorder Service

Exhibit