

**DEPARTMENT OF HEALTH CARE SERVICES  
NOTICE OF GENERAL PUBLIC INTEREST**

**PROPOSED STATE PLAN AMENDMENT RELATING TO SUBSTANCE USE  
DISORDER TREATMENT SERVICES FOR MEDI-CAL BENEFICIARIES**

This notice is replacing the public notice for the proposed State Plan Amendment (SPA) 19-0014. SPA 19-0014 has been wholly replaced by SPA 20-0006.

This notice provides information of public interest that the Department of Health Care Services (DHCS) will submit SPA 20-0006 to the Centers for Medicare and Medicaid Services (CMS) to seek necessary approvals to 1) allow reimbursement for individual and group counseling services delivered via telehealth and telephone if the provider has obtained consent from all participants, in accordance with California Business & Professions Code Section 2290.5, and takes the necessary security precautions, in compliance with HIPAA and 42 CFR Part 2; 2) define Medicated Assisted Treatment as all Federal Drug Administration (FDA) approved drugs and biological products to treat opioid use disorders (OUD) to Medication Assisted Treatment (MAT) services and add MAT as a service component of all SUD service modalities; 3) remove levoalphacetylmethadol (LAAM) as a specifically identified reimbursable Narcotic Treatment Program (NTP) medication, as it is an outdated narcotic replacement drug; 4) remove the prior authorization requirement for Medi-Cal eligible Early and Periodic Screening, Diagnostic, and Treatment Services (EPSDT) beneficiaries to receive additional ODF services 5) appropriately define Naltrexone as a service component of all SUD service modalities, rather than a separate SUD service modality, and; 6) make technical changes to the provider qualification requirements for SUD professionals providing counseling services in DMC certified Programs.

**ADDING TELEHEALTH AND TELEPHONE DELIVERY OF INDIVIDUAL AND GROUP COUNSELING SERVICES**

DHCS considers the delivery of individual and group counseling services via telehealth and telephone to be beneficial to individuals eligible for Medi-Cal benefits and physicians to allow greater access, including reaching individuals in urban areas, to SUD counseling services.

**ADDING COVERAGE FOR ALL FDA APPROVED DRUGS TO TREAT OPIOID USE DISORDER**

DHCS considers the addition of coverage for all drugs approved under Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) and all biological products licensed under Section 351 of the Public Health Services Act (42 U.S.C. 262) to treat opioid use disorder, to be medically necessary for Medi-Cal eligible beneficiaries with SUD. MAT will be added as a service component of all SUD service modalities.

## **REMOVING COVERAGE FOR LAAM**

DHCS considers LAAM to be an outdated narcotic replacement drug and LAAM has been discontinued by its manufacturer. Therefore, LAAM should no longer be specifically identified as a reimbursable NTP medication.<sup>1</sup>

## **REDEFINING NALTREXONE AS A SERVICE COMPONENT OF ALL SUD SERVICE MODALITIES**

Currently, the SPA appears to define Naltrexone as a separate SUD service modality. DHCS considers this characterization to be inaccurate and seeks to appropriately define Naltrexone as a service component that can be delivered in all SUD service modalities.

## **TECHNICAL CHANGES TO EPSDT PRIOR AUTHORIZATION**

Currently, the SPA requires that Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) beneficiaries receive prior authorization before receiving additional outpatient drug free treatment services. DHCS seeks to remove the prior authorization requirement to align with the passage of Senate Bill (SB) 12872, revising the definition of “medically necessary” for an individual under 21 years of age to incorporate the existing federal standards related to EPSDT services.

## **TECHNICAL CHANGES TO PROVIDER QUALIFICATION REQUIREMENTS**

DHCS seeks to make technical changes to the provider qualification requirements for SUD professionals providing counseling services in a DMC certified Program to be consistent with the requirements set forth in California Code of Regulations, Title 9, Section 13040.

SPA 20-0006 will contain a proposed effective date of July 1, 2020, and is subject to CMS approval.

## **PUBLIC REVIEW AND COMMENT**

Upon submission to CMS, a copy of the proposed SPA 20-0006 will be published at: <https://www.dhcs.ca.gov/formsandpubs/laws/Pages/PendingStatePlanAmendments.aspx>.

If you would like to view the SPA in person once it becomes available, please visit your local county welfare department. You may also request a copy of proposed SPA 20-0006 using the mailing or email addresses listed below.

Written comments may be sent to the following address by:

Department of Health Care Services  
Directors Office, MS 0000  
1501 Capitol Avenue  
Sacramento, California 95814.

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<sup>1</sup> At this time, LAAM is still FDA approved to treat opioid use disorders. If LAAM becomes available, and it is still FDA approved to treat opioid use disorders, then providers will be able to provide LAAM through the MAT service component.

Comments may also be emailed to [PublicInput@dhcs.ca.gov](mailto:PublicInput@dhcs.ca.gov). Please indicate SPA 20-0006 in the subject line or message.

A copy of submitted public comments to SPA 20-0006 may be requested in writing to the mailing or email addresses identified above.

**RELEASE DATE: JUNE 12, 2020**