

REHABILITATIVE SERVICES: REIMBURSEMENT FOR DRUG MEDICAL PROGRAM

Section 1: Reimbursement for Substance Use Disorder Treatment Services

This segment of the State Plan describes the reimbursement methodology for Substance Use Disorder Treatment Services covered under the rehabilitation benefit and rendered by qualified providers as described in Supplement 3 to Attachment 3.1 A to this State Plan. Qualified providers are DMC certified providers that must be licensed, registered, enrolled, and/or approved in accordance with all applicable state laws and regulations; abide by the definitions, rules, and requirements for stabilization and rehabilitation services established by the Department of Health Care Services (DHCS); and sign a provider agreement with a county or DHCS. During the period beginning October 1, 2020 and ending September 30, 2025, Medication for Addiction Treatment for Opioid Use Disorder (MAT for OUD) Services are exclusively covered and reimbursed under the 1905(a)(29) benefit.

A. Definitions

“Narcotic Treatment Program Services” means Narcotic Treatment Program (NTP) Daily Dosing Services and Individual Counseling, Group Counseling and Peer Support Services as those services are defined in Section 13.d.5 of Supplement 3 to Attachment 3.1-A of this State Plan.

“Narcotic Treatment Program Daily Dosing Services” means NTP Core Services, NTP Laboratory Work, MAT for Alcohol Use Disorder and Other Non-Opioid Use Disorders (AUD) Medications, and MAT for OUD Medications.

“NTP Core Services” means Assessment, Medical Psychotherapy, Medication Services, Patient Education, and Substance Use Disorder (SUD) Crisis Intervention Services as those services are defined in Section 13.d.5 of Supplement 3 to Attachment 3.1-A of this State Plan.

“NTP Laboratory Work” means Tuberculin and Syphilis tests, monthly drug screening, and monthly pregnancy tests of female methadone patients.

“Medication for Addiction Treatment for Opioid Use Disorder (MAT for OUD) Medications” means all forms of drugs approved to treat opioid use disorder under Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. § 355) and all biological products licensed to treat opioid use disorder under Section 351 of the Public Health Services Act (42 U.S.C. § 262).

“Outpatient Services” means Assessment, Group Counseling, Individual Counseling, Medication Services, Patient Education, MAT for OUD, and SUD Crisis Intervention Services when provided in an Outpatient Treatment Services Level of Care or Intensive Outpatient Treatment Services Level of Care; and Peer Support Services, when provided in any Substance Use Disorder Treatment Level of Care as those services and levels of care are defined in Section 13.d.5 in Supplement 3 to Attachment 3.1-A of this State

Plan.

“Eligible Provider” means a public or private provider enrolled in the Medi-Cal program and certified to provide one or more Expanded Substance Use Disorder Services” as those services are defined in Section 13.d.6 in Supplement 3 to Attachment 3.1-A of this State Plan.

“Home Health Agency Market Basket Index” means the IHS Global Inc. CMS Market Basket Index Levels for Home Health Agencies.

“Licensed Practitioner of the Healing Arts (LPHA)” means Physician, Nurse Practitioner (NP), Physician Assistant (PA), Registered Nurse (RN), Registered Pharmacist (RP), Licensed Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW), Registered CSW, Licensed Professional Clinical Counselor (LPCC), Registered PCC, Licensed Marriage and Family Therapist (LMFT), Registered MFT, Licensed Vocational Nurse, Licensed Occupational Therapist, and Licensed Psychiatric Technician, as those terms are defined in Supplement 3 to Attachment 3.1-A.

“Provider Type” means Counselor, Clinical Trainee, Licensed Practitioner of the Healing Arts, Medical Director of a Narcotic Treatment Program, Medical Assistant, and Peer Support Specialist-as those terms are defined in Supplement 3 to Attachment 3.1-A of this State Plan.

“Substance Use Disorder Treatment Services” means Outpatient Services, Twenty-Four Hour Services, and Narcotic Treatment Program Services.

“Twenty-Four Hour Services” means Perinatal Residential Substance Use Disorder Treatment as defined in Section 13.d.6 in Supplement 3 to Attachment 3.1-A of this State Plan.

B. Outpatient Services Reimbursement Methodology

1. The State reimburses all eligible providers of Outpatient Services on a fee for service basis pursuant to a fee schedule established by the State. Eligible providers claim reimbursement for Outpatient Services using appropriate Current Procedural Terminology (CPT®) or Healthcare Common Procedure Coding System (HCPCS) codes. The fee schedule contains a rate for each County where the Eligible Provider is located and combination of Provider Type and CPT®/HCPCS code.

Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers The fee schedule that is effective July 1, 2023, and annually thereafter, is posted to the following webpage:<https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.

Counseling, Individual Counseling, Medication Services, Patient Education, and SUD

C. Twenty-Four Hour Services Reimbursement Methodology

1. The State reimburses all eligible providers of Twenty-Four Hour Services on a fee for service basis pursuant to a fee schedule established by the State. Twenty-Four Hour Services are reimbursed a per diem rate. The fee schedule contains a rate for each county where the provider is located and each Twenty-Four Hour Service.
2. Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers. The fee schedule for Twenty-Four Services that is effective July 1, 2023, and annually thereafter, is posted to the following webpage: <https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
3. The State will annually increase the county specific per-unit rates for 24-hour services effective July 1, 2023, by the percentage change in the four quarter average Home Health Agency Market Basket Index.

D. Narcotic Treatment Program Reimbursement Methodology

1. The State reimburses all eligible providers of Narcotic Treatment Program Services on a fee for service basis pursuant to a fee schedule established by the State. Narcotic Treatment Program Daily Dosing Services are reimbursed a per dose rate. An eligible provider must administer a MAT for OUD Medication or MAT for AUD Medication to be reimbursed for Narcotic Treatment Program Daily Dosing Services. The fee schedule contains a per dose rate for each county where the eligible provider is located. The per dose rate does not include the cost of room and board. Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers. The State will monitor the actual provision of Narcotic Treatment Program Daily Dosing Services reimbursed through this per dose rate.
2. The State reimburses all eligible providers for Group Counseling, Individual Counseling, and Peer Support Services provided in a Narcotic Treatment Program pursuant to the fee schedule established in Section B of this segment of the State Plan.
3. Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers. The fee schedule for Narcotic Treatment Program Daily Dosing Services that is effective July 1, 2023, and annually thereafter, is posted to the following webpage: <https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
4. The State will annually increase the county specific daily rates for Narcotic Treatment Program Daily Dosing Services effective July 1, 2023 by the percentage change in the four quarter average Home Health Agency Market Basket Index.

E. Community-Based Mobile Crisis Intervention Services Reimbursement Methodology

1. Community-Based Mobile Crisis Intervention Encounters

- a. The State establishes a county-based bundled rate for each encounter. Except as otherwise noted in the state plan, state-developed fee schedule rates are the same for both governmental and private providers. The county-based bundled rates effective July 1, 2023, and annually thereafter, are posted to the following webpage: <https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
- b. The State reimburses all eligible providers the county-based bundled rate based upon the county where the provider is located.
- c. The county-based bundled rate is reimbursed for the following service components as those components are defined in Attachment 3.1-A of this State Plan:
 - Assessment
 - Mobile crisis response
 - Crisis planning
 - Referral to ongoing supports
 - Follow up check ins
- d. A provider must render at least one of the following service components during an encounter to be reimbursed the bundled rate:
 - Assessment
 - Mobile crisis response
 - Crisis planning
 - Referral to ongoing supports
- a. The state will annually increase the county-based bundled rates effective July 1, 2023 by the percentage change in the four quarter average Home Health Agency Market Basket Index.

2. Facilitation of a warm handoff

- a. The State will reimburse providers for facilitation of a warm handoff, as that service component is defined in Attachment 3.1-A of this State Plan, pursuant to a fee schedule established by the State. The fee schedule will include a rate for each county and the following aspects of the service component:
 - Providing and/or arranging for a beneficiary's transportation to an alternative setting to receive urgent treatment. The State will reimburse providers the standard mileage rate per mile for use of an automobile for medical care as established by the Internal Revenue Service.
 - Staff time spent providing and/or arranging for transportation to an alternative setting to receive urgent treatment. The rates for this aspect of facilitation of a warm handoff effective July 1, 2023.

3. The State will annually increase the fee schedules described in paragraphs 1 and 2 by the percentage change in the four quarter average Home Health Agency Market Basket Index.

Section 2: Reimbursement for Expanded Substance Use Disorder Treatment Levels of Care

This segment of the State Plan describes the reimbursement methodology for Expanded Substance Use Disorder Treatment Services covered under the rehabilitation benefit and rendered by qualified providers as described in Supplement 3 to Attachment 3.1 A to this State Plan. Qualified providers are DMC certified providers that must be licensed, registered, enrolled, and/or approved in accordance with all applicable state laws and regulations; abide by the definitions, rules, and requirements for stabilization and rehabilitation services established by the Department of Health Care Services; and sign a provider agreement with a county. During the period beginning October 1, 2020 and ending September 30, 2025, MAT for OUD services are exclusively covered and reimbursed under the 1905(a)(29) benefit.

A. Definitions

“Narcotic Treatment Program Services” means Narcotic Treatment Program Daily Dosing Services and Care Coordination, Individual Counseling, Group Counseling, Peer Support Services, and Recovery Services as those services are defined in Section 13.d.6 of Supplement 3 to Attachment 3.1-A of this State Plan.

“Narcotic Treatment Program Daily Dosing Services” means NTP Core Services, NTP Laboratory Work, MAT for AUD Medications, and MAT for OUD Medications.

“NTP Core Services” means Assessment, Family Therapy, Medical Psychotherapy, Medication Services, Patient Education, and SUD Crisis Intervention Services as those services are defined in Section 13.d.6 of Supplement 3 to Attachment 3.1-A of this State Plan.

“NTP Laboratory Work” means Tuberculin and Syphilis tests, monthly drug screening, and monthly pregnancy tests of female methadone patients.

“Medication for Additional Treatment for Opioid Use Disorder (MAT for OUD) Medications” means all forms of drugs approved to treat opioid use disorder under Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. § 355) and all biological products licensed to treat opioid use disorder under Section 351 of the Public Health Services Act (42 U.S.C. § 262).

“Medication for Addiction Treatment for Alcohol Use Disorder and Other Non-Opioid Use Disorders (MAT for AUD) Medications”

“Day Services” means Level 1 – Withdrawal Management (WM), Level 2 – WM, and Partial Hospitalization as those terms are defined in Section 13.d.6 in Supplement 3 to Attachment 3.1-A of this State Plan.

“Outpatient Services” means Assessment, Care Coordination, Family Therapy, Group

Crisis Intervention Services when provided in an Outpatient Treatment Services Level of Care, Intensive Outpatient Treatment Services Level of Care, or Partial Hospitalization Level of Care; and Peer Support Services, Recovery Services, MAT for AUD, MAT for AUD Medication, MAT for OUD, and MAT for OUD Medication provided in any Expanded Substance Use Disorder Level of Care as those services and levels of care are defined in Section 13.d.6 in Supplement 3 to Attachment 3.1-A of this State Plan.

“Eligible Provider” means a public or private provider enrolled in the Medi-Cal program and certified to provide one or more Expanded Substance Use Disorder Services” as those services are defined in Section 13.d.6 in Supplement 3 to Attachment 3.1-A of this State Plan.

“Home Health Agency Market Basket Index” means the IHS Global Inc. CMS Market Basket Index Levels for Home Health Agencies.

“Licensed Practitioner of the Healing Arts (LPHA)” means Physician, Nurse Practitioner (NP), Physician Assistant (PA), Registered Nurse (RN), Registered Pharmacist (RP), Licensed Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW), Registered CSW, Licensed Professional Clinical Counselor (LPCC), Registered PCC, Licensed Marriage and Family Therapist (LMFT), Registered MFT, Licensed Vocational Nurse (LVN), Licensed Occupational Therapist (LOT), and Licensed Psychiatric Technician (LPT), as those terms are defined in Supplement 3 to Attachment 3.1-A.

“Provider Type” means Counselor, Clinical Trainee, Licensed Practitioner of the Healing Arts, Medical Director of a Narcotic Treatment Program, Medical Assistant, and Peer Support Specialist, as those terms are defined in Supplement 3 to Attachment 3.1-A of this State Plan.

“Expanded Substance Use Disorder Treatment Services” means Outpatient Services, Twenty-Four Hour Services, NTP Services, and Withdrawal Management Services.

“Twenty-Four Hour Services” means Level 3.1 – Clinically Managed Low-Intensity Residential Services, Level 3.2 – WM, Level 3.3. – Clinically Managed Population-Specific High Intensity Residential Services, and Level 3.5 – Clinically Managed High Intensity Residential Services as those services are defined in Section 13.d.6 in Supplement 3 to Attachment 3.1-A of this State Plan.

“Regional County” means Humboldt County, Lake County, Lassen County, Mendocino County, Modoc County, Shasta County, Siskiyou County, and Solano County.

located in Non-Regional Counties

1. Outpatient Services Reimbursement Methodology

- a. The State reimburses all eligible providers of Outpatient Services in Non-Regional Counties on a fee for service basis pursuant to a fee schedule established by the State. Eligible providers claim reimbursement for Outpatient Services using appropriate Current Procedural Terminology (CPT®) or Healthcare Common Procedure Coding System (HCPCS) codes. The fee schedule contains a rate for each county where the eligible provider is located and combination of Provider Type and CPT®/HCPCS code. Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers.
- b. The fee schedule that is effective July 1, 2023, and annually thereafter, is posted to the following webpage: <https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
- c. The State will annually increase the per-unit rates for HCPCS and CPT Codes effective July 1, 2023 by the percentage change in the four quarter average Home Health Agency Market Basket Index. The updated rates will be posted to the webpage linked above annually.

2. Day Services Reimbursement Methodology

- a. The State reimburses all eligible providers of Day Services in Non-Regional Counties on a fee for service basis pursuant to a fee schedule established by the State. Level 1 – WM and Level 2 – WM are reimbursed an hourly rate. Partial Hospitalization is reimbursed a daily rate. The fee schedule contains a rate for each county where the provider is located and each Day Service. Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers.
- b. The fee schedule for Day Services that is effective July 1, 2023, and annually thereafter, is posted to the following webpage: <https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
- c. The State will annually increase the day service rates effective July 1, 2023 by the percentage change in the four quarter average Home Health Agency Market Basket Index. The updated rates will be posted to the webpage linked above annually.

3. Twenty-Four Hour Services Reimbursement Methodology

- a. The State reimburses all eligible providers of Twenty-Four Hour Services in Non-Regional Counties on a fee for service basis pursuant to a fee schedule established by the State. Twenty-Four Hour Services are reimbursed a per diem rate for all service components described in Section 13.d.6 in Supplement 3 to Attachment 3.1-A of this State Plan, except for Care Coordination, Recovery Support Services, Peer Support Specialist Services, MAT for OUD, and MAT for AUD. The fee schedule contains a rate for each county where the provider is located and each Twenty-Four Hour Service. Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers.

- b. The fee schedule for Twenty-Four Hour Services that is effective July 1, 2023, and annually thereafter, is posted to the following webpage:
<https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
- c. The State will annually increase the per-unit rates for 24-hour services effective July 1, 2023 by the percentage change in the four quarter average Home Health Agency Market Basket Index.
- d. Care Coordination, Recovery Support Services, Peer Support Specialist Services, MAT for OUD, and MAT for AUD services provided by eligible providers of Twenty-Four Hour Services are reimbursed pursuant to the methodology described in Section B.1 on page 41c.

4. Narcotic Treatment Program Reimbursement Methodology

- a. The State reimburses all eligible providers of Narcotic Treatment Program Services on a fee for service basis pursuant to a fee schedule established by the State. Narcotic Treatment Program Daily Dosing Services are reimbursed a per dose rate. An eligible provider must administer MAT for OUD Medication or MAT for AUD Medication to be reimbursed for Narcotic Treatment Program Daily Dosing Services. The fee schedule contains a per dose rate for each County where the eligible provider is located. The per dose rate does not include the cost of room and board. Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers. The State will monitor the actual provision of Narcotic Treatment Program Daily Dosing Services reimbursed through this per dose rate.
- b. The State reimburses all eligible providers for Care Coordination, Individual Counseling, Group Counseling, Peer Support Services, and Recovery Services provided in a Narcotic Treatment Program pursuant to the fee schedule established in Section 1, B1-3, "Outpatient Services Reimbursement Methodology," on page 41c of this State Plan.
- c. The fee schedule for Narcotic Treatment Program Daily Dosing Services that is effective July 1, 2023, and annually thereafter, is posted to the following webpage:
<https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
- d. The State will annually increase the daily rates for Narcotic Treatment Program Daily Dosing Services effective July 1, 2023 by the percentage change in the four quarter average Home Health Agency Market Basket Index. The fee schedule for the Narcotic Treatment Program Daily Dosing Service is a bundled rate.
 - i. Any Narcotic Treatment Program provider delivery Narcotic Treatment Program Daily Dosing Services will be paid through the bundle and cannot bill separately.
 - ii. Any provider delivering services outside of the Narcotic Treatment Program Daily Dosing Services may bill for those separate services in accordance with this state plan.
 - iii. The State will periodically monitor the actual provision of services paid under the Narcotic Treatment Program Daily Dosing Services bundled rate

to ensure that the rates remain economic and efficient based on the services that are actually provided as part of the bundle.

5. Community-Based Mobile Crisis Intervention Services Reimbursement Methodology

a. Community-Based Mobile Crisis Intervention Encounters

- i The State reimburses all eligible providers for Community-Based Mobile Crisis Intervention Encounters a county-based bundled rate for each encounter. The county-based bundled rates effective July 1, 2023, and annually thereafter, are posted to the following webpage:
<https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
- ii The State reimburses all eligible providers, both governmental and private providers, the county-based bundled rate based upon the county where the provider is located.
- iii The county-based bundled rate is reimbursed for the following service components as those components are defined in Attachment 3.1-A of this State Plan:
 - Assessment
 - Mobile crisis response
 - Crisis planning
 - Referral to ongoing supports
 - Follow up check ins
- iv A provider must render at least one of the following service components during an encounter to be reimbursed the bundled rate:
 - Assessment
 - Mobile crisis response
 - Crisis planning
 - Referral to ongoing supports
- v Any provider delivering services through a bundle will be paid through that bundled payment rate and cannot bill separately. Providers delivering separate services outside of the bundle may bill for those separate services in accordance with the State's Medicaid billing procedures.
- vi The state will annually increase the county-based bundled rates effective July 1, 2023 by the percentage change in the four quarter average Home Health Agency Market Basket Index.
- vii The state will periodically monitor the actual provision of services paid under the county bundled rate to ensure that beneficiaries receive the types, quantity, and intensity of services required to meet their medical needs and to ensure that the rates remain economic and efficient based on the services that are actually provided as part of the bundle.

b. Facilitation of a warm handoff

- i. The State will reimburse all eligible providers for facilitation of a warm handoff, as that service component is defined in Attachment 3.1-A of this State Plan, pursuant to a fee schedule established by the State. The fee schedule will include a rate for each county and the following aspects of the service component:
 - Providing and/or arranging for a beneficiary's transportation to an alternative setting to receive urgent treatment. The State will reimburse providers the standard mileage rate per mile for use of an automobile for medical care as established by the Internal Revenue Service.
 - Staff time spent providing and/or arranging for transportation to an alternative setting to receive urgent treatment. The rates for this aspect of facilitation of a warm handoff effective July 1, 2023, and annually thereafter, are posted to the following webpage:
<https://www.dhcs.ca.gov/services/MH/Pages/medi-cal-behavioral-health-fee-schedules.aspx>.
- ii. The State will annually increase the fee schedules described in paragraphs 1 and 2 by the percentage change in the four quarter average Home Health Agency Market Basket Index.

C. Reimbursement Methodology for Regional Counties

1. The reimbursement methodology for all eligible providers of Outpatient Services, Day Services, and Twenty-Four Hour Services in Regional Counties is equal to the prevailing charges for the same or similar services in the county where the provider is located. Care Coordination, Recovery Support Services, Peer Support Specialist Services, MAT for OUD, and MAT for AUD services provided by eligible providers of Twenty-Four Hour Services are reimbursed as Outpatient Services separate from the Twenty-Four Hour Service. If prevailing charges are not available, the State will use the best available alternative data, subject to CMS review, that would serve as a reasonable proxy, including the use of trended historical data.
2. The State reimburses all eligible providers of Narcotic Treatment Program Services pursuant to Section B.4 above.
3. The State reimburses all eligible providers of Community-Based Mobile Crisis Intervention Services pursuant to Section B.5 above.

D. Regional Counties

Humboldt
Lassen
Mendocino
Modoc
Shasta
Siskiyou
Solano

E. Non-Regional Counties

Alameda
Contra Costa
El Dorado
Fresno

Napa
Nevada
Orange
Placer

San Joaquin
San Luis Obispo
San Mateo
Santa Barbara

Imperial
Kern
Los Angeles
Marin
Merced
Monterey

Riverside
Sacramento
San Benito
San Bernardino
San Diego
San Francisco

Santa Clara
Santa Cruz
Stanislaus
Tulare
Yolo

REIMBURSEMENT FOR 1905(a)(29) MEDICATION ASSISTED TREATMENT FOR OPIOID USE DISORDERS

1. Payment for a) unbundled and bundled services; and b) bundled services and prescribed drugs and biologicals administered by a provider for the treatment of opioid use disorders are reimbursed per the Drug Medi-Cal Program methodologies described in Attachment 4.19-B, starting on page 38.
2. Payment for unbundled prescribed drugs and biologicals used for the treatment of opioid use disorders are reimbursed per the methodology described in Supplement 2 to Attachment 4.19-B, Pages 1-10 for drugs that are dispensed or administered.
3. For Regional Counties and Non-Regional Counties, payment for unbundled prescribed physician administered drugs and biologicals used for the treatment of opioid use disorders are reimbursed per the methodology described in Attachment 4.19-B, Page 41i, 41j, 41o, and 41p.