

DATE: October 16, 2023

Behavioral Health Information Notice No: 23-053
Supersedes [MHSUD Information Notice 14-022](#)

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 Programs
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
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: Substance Use Disorder (SUD) Recovery or Treatment Facilities'
Licensure and Certification Fee Increase Beginning Fiscal Year
(FY) 2023-2024

PURPOSE: To provide notification of DHCS' licensing and certification fee increase
for residential and outpatient SUD facilities, commencing on July 1, 2023.

REFERENCE: [Health and Safety Code Section 11833.02](#); [Senate Bill 104 \(2023 Leg. Session\)](#); and [Title 9, California Code of Regulations, Division 4, Chapter 5.5](#)

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

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.

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 assessed to each licensed and/or certified SUD recovery or treatment facility have been in effect since FY 2014-15. 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 pursuant to Chapter 7.3 (commencing with Section 11833.01) of Part 2 of Division 10.5 of the Health and Safety Code directs DHCS to increase those fees by up to twenty percent (20%) each fiscal year through FY 2026-27 to reach a cumulative fee increase of 75 percent. Accordingly, effective July 1, 2023, DHCS is increasing the licensing and certification fees by twenty percent (20%).

POLICY:

Effective July 1, 2023, DHCS will assess the following fees for licensure and certification of residential and outpatient SUD recovery or treatment facilities:

RESIDENTIAL LICENSURE FEES		
<i>APPLICATION TYPE</i>	<i>FEE</i>	<i>NEW FEE</i>
Initial Residential Licensure Application Fee	\$3,050	\$3,660
Initial Biennial Residential Licensure Fee	\$324 (per bed)	\$389 (per bed)
Biennial Residential Licensure Extension Fee	\$324 (per bed)	\$389 (per bed)
Adolescent Waiver Application Fee	\$1,507	\$1,808
Dependent Children Application Fee (if not requested during initial licensure application)	\$1,054	\$1,265
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, etc.)	\$1,034	\$1,241 (per requested amendment to licensure and/or certification)

Facility Address Update (Facility Relocation, Adding Additional Address or Suite number(s))	\$1,008	\$1,210 (per requested amendment to licensure and/or certification)
CERTIFICATION FEES		
APPLICATION TYPE	FEE	NEW FEE
Initial Outpatient Certification Application Fee	\$2,931	\$3,517
Initial Biennial Outpatient Certification Fee	\$3,798	\$4,558
Biennial Outpatient Certification Extension Fee	\$3,798	\$4,558
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	\$324 (per bed, with a maximum of \$3,798)	\$389 (per bed, with a maximum of \$4,558)
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.)	\$1,034	\$1,241 (per requested amendment to certification)
Facility Address Update (Facility Relocation, Adding Additional Address or Suite Number(s))	\$1,008	\$1,210 (per requested amendment to certification)
COMBINED RESIDENTIAL LICENSURE AND CERTIFICATION FEES		
APPLICATION TYPE	FEE	NEW FEE
Initial Combined Residential Licensure and Certification Application Fee	\$4,068	\$4,882
Initial Biennial Combined Residential Licensure and Certification Fee	\$324 (per bed)	\$389 (per bed)
Biennial Combined Residential Licensure and Certification Extension Fee	\$324 (per bed)	\$389 (per bed)
All other fees are as stated in the 'Residential Licensure Fee' box		

October 9, 2023

To prevent errors or delays in processing, the Initial, Biennial or Supplemental Applications, licensing and/or certification fees must be submitted with an application and reflect the facility name, license and/or certification number(s) (if applicable) on the check or money order and be mailed 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, there is an administrative fee of \$25.00 that must be paid to DHCS in addition to the licensing and/or certification fees.

Licensed and/or certified SUD recovery or treatment facilities, with an expiration date after July 1, 2023, that have already submitted biennial extension fees, will be invoiced for the additional amount owed due to the increased fees. The difference in fees must be submitted to the Department within 60 days of the invoice date.

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