

To:	BHS Contracted Service Providers
From:	Behavioral Health Services
Date:	June 13, 2023
Title	California Advancing and Innovating Medi-Cal (CalAIM) Behavioral Health Payment Reform Update

To support transparent communication, Behavioral Health Services (BHS) is providing several key updates related to the implementation of Behavioral Health Payment Reform under California Advancing and Innovating Medi-Cal (CalAIM).

KEY UPDATES

CalAIM Fee (Rate) Schedule

The California Department of Health Care Services (DHCS) recently released the [Behavioral Health Information Notice 23-017](#) to describe to County Mental Health Plans (MHPs), Drug Medi-Cal Organized Delivery System (DMC-ODS) Counties, and DMC Counties the fee schedules effective July 1, 2023. The notice includes a link to the CalAIM fee schedule for each group of services per County, including the County of San Diego.

This communication clarifies the following for existing Medi-Cal providers:

- The rates published within the CalAIM fee schedule are reimbursement rates for the MHPs/Counties for the cost of delivering Medi-Cal eligible services.
- The CalAIM rates are not the rates that will be paid by the County to providers.

Rate Development for Services Funded by the County of San Diego

BHS is currently developing provider rates under CalAIM Behavioral Health Payment Reform utilizing program assumptions and data, while taking into consideration certain key variables that may impact rates, including but not limited to:

- Cost data, specialty services, geography, populations served, access to care, acuity, and other key elements of service delivery.
- Revenue modeling for other BHS funding sources, such as Mental Health Services Act and Realignment funding, which are used to fund the Federal Funding Participation (FFP) match requirement and provide services for indigent clients.
- The ability to ensure sustainability for mental health and substance use services across the system of care both in the immediate term and future, as well as the ability to drive value-based care, long term across the system of care.

Bundling of Substance Use Services

DHCS recently clarified that substance use residential service providers will be able to bill for care coordination, medication assisted treatment (MAT) services, and recovery services separately from the bundled daily bed rate. Additional details regarding the bundling of substance use services will be provided once the County receives more information from the State.

NEXT STEPS

For More Information:

- Contact your Contracting Officer’s Representative (COR) or
- Raul Loyo-Rodriguez, Revenue and Budget Manager, Raul.Loyo@sdcounty.ca.gov

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As the MHP and as part of oversight of DMC-ODS, BHS is committed to maintaining continuity of services across the Continuum of Care during the transition occurring under CalAIM Behavioral Health Payment Reform. The department recognizes that transition under payment reform is a massive shift in the way behavioral health providers do business.

To support successful transition of Medi-Cal funded behavioral health programs in San Diego County, BHS is developing a thoughtful payment reform implementation plan that will likely occur across Fiscal Year 2023-24 and will likely include staggered implementation that will occur in several phases based on levels of care, still to be determined.

- Upon completion of development, BHS will share the rates and an implementation timeline with providers.
- BHS will communicate regularly with providers to support successful implementation.

We appreciate the partnership to ensure the San Diego region can optimize the benefits of CalAIM to improve the lives of those we serve.

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