

January 24, 2023
 DPH-SAPC CAL-AIM PREPARATION
 PROVIDER PAYMENT REFORM MEETING
[PowerPoint Presentation](#) and [Video Recording](#)

#	QUESTIONS	ANSWERS
1.	How can providers access the slides from the previous Payment Reform meetings?	<p>All Provider Meeting materials are included on the SAPC Provider Network site at: http://publichealth.lacounty.gov/sapc/NetworkProviders/Regulations.htm</p> <p>January 24, 2023 - Preparing for Payment Reform in July 2023 Meeting</p> <ul style="list-style-type: none"> • Agenda • Preparing for Payment Reform in July 2023, 1.24.23 • Video Recording <p>December 13, 2022 - Preparing for Payment Reform in July 2023 Meeting</p> <ul style="list-style-type: none"> • Agenda • Preparing for Payment Reform in July 2023, 12.14.22 • FAQ's • Video Recording <p>Meeting Schedule</p> <ul style="list-style-type: none"> • March 20, 2023 2:00PM-3:30PM • April 18, 2023 3:00PM-4:30PM • May 30, 2023 3:00PM-4:30PM • June 27, 2023 3:00PM-4:30PM
2.	<p>a. When will SAPC share updated information on rates?</p> <p>b. Will this change be permanent?</p>	<p>a. Substance Abuse Prevention and Control (SAPC) is conducting an internal analysis and will share provider rates soon. Currently, the Department of Health Care Services (DHCS) has released rates for outpatient and inpatient withdrawal management Levels of Care (LOC). We are still awaiting the residential and Opioid Treatment Program (OTP) rates to be released by DHCS.</p> <p>b. The short answer is it depends. We believe there will be adjustments as new information is obtained, however, it is probable that we will not be returning to the previous process.</p>
3.	Is there a list for Tier 2 and 3 quality adjustment factors?	The tiered model is not yet finalized, and it is a concept we wanted to frame with our network for discussion and feedback. Tiers will be based on fiscal reporting information that providers already submitted and also based on historical quality factors (ex. contract in good standing). In addition to the tiers, there would be an option to draw down additional incentive payments based on quality factors.
4.	a. Will there be a staffing requirement for the ratio of licensed versus unlicensed practitioners	a. The practitioner level outpatient rate structure is one that DHCS designed and is dependent on the practitioner type and not on any particular staffing ratios. The practitioner rate structure that is being set is designed by the Department of Health Care Services

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	<p>an agency must have in order to obtain specific tier rates?</p> <p>b. Is there a rate difference between counselors whose caseloads are under the supervision of Licensed Practitioners of the Healing Arts (LPHAs)?</p> <p>c. Will the rate changes apply to Residential Bridge Housing (RBH)?</p> <p>d. Will SAPC provide an extended detail of personnel to identify practitioners and their salaries? Can SAPC conduct a network-wide survey to determine the average salaries for each position?</p>	<p>(DHCS). SAPC has not considered a required composition. Based on practitioner type, however the composition of your workforce also has implications for generating revenue. Provider agencies should begin to consider this already. However, the state has set a minimum ratio of 30% Certified Counselors & Licensed staff.</p> <p>b. There are no differences in the rates.</p> <p>c. There won't be variability in rates for RBH by provider type, as RBH isn't treatment and isn't delivered by clinical staff.</p> <p>d. SAPC will be providing reimbursement rates by staff type for services at each LOC. SAPC will not be providing detail about how to set staff salaries but encourages agencies to perform agency-level analyses and calculations to determine the competitive salary amounts that will optimize their recruitment efforts. One of the anticipated outcomes of payment reform that we have discussed is SUD workforce salary increases. However, this will be largely dependent on the rates that the State will set as those will then determine the rates that SAPC will set for providers. We strongly encourage that providers attend the Focus on Finance and CalAIM trainings offered by the California Institute for Behavioral Health Solutions (CIBHS) to learn the necessary fiscal and operations management skills that will be essential for establishing a solid foundation in preparation for the changes implemented under CalAIM.</p>
5.	<p>a. How can we prepare in anticipation of new rates and changes that will be implemented under CalAIM?</p> <p>b. Will SAPC raise the contract maximum amounts in anticipation of higher rates?</p> <p>c. Will practitioner-level rate setting remain in effect throughout the CalAIM waiver?</p> <p>d. Will practitioner-level rates be impacted by the tier system?</p>	<p>a. SAPC recognizes it may be difficult to make financial commitments prior to knowing what the future rates will be. However, this is an opportunity for agencies to begin assessing the current composition of their workforce and consider leveraging License Practitioners of the Healing Arts (LPHAs) to provide direct services since the rates will be higher for this practitioner type. Currently, regardless of practitioner type, SAPC pays the same rate for outpatient services but that will change under payment reform. In addition, establishing very clear protocols and processes for tracking agency-level revenue and expenditures will be very important. Tracking closely through the entire fiscal year will allow agencies to assess which services are generating enough revenue to cover overall costs.</p> <p>Over the past few years, SAPC has contracted with CIBHS to specifically provide training and technical assistance to organizations to assist with better assessing workforce composition and other fiscal/programmatic considerations that may need to adjust under CalAIM, including Focus on Finance and the use of predictive tools. These trainings will continue, and it is</p>

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		<p>strongly recommended that providers take advantage of these opportunities.</p> <p>b. SAPC already has a process for contract augmentation and providers who are using their contracts sufficiently can submit their request for augmentation once their contract utilization reaches 60%. Refer to SAPC Information Notice 22-14 for more information.</p> <p>c. DHCS has not explicitly addressed this and the assumption is that practitioner-level rate setting will continue at least until the transition into value-based reimbursement, depending on how the State sets up the value-based reimbursement model. However, there is no indication that practitioner-level rates are a time-limited approach.</p> <p>d. Potentially, but we need more detail from DHCS in order to fully answer this question.</p>
6.	<p>a. Do you foresee Licensed Psychiatric Technicians being able to provide billable services in the future?</p> <p>b. Where would license eligible psychologists fall under the practitioner-level rates?</p>	<p>a. Currently, Licensed Psychiatric Technicians are not an approved provider-type under DMC-ODS ITC's We are aware of having some Licensed Psychiatric Technicians in our system at sites that provide day rate services (such as WM)and that the Department of Mental Health (DMH) also uses this workforce segment. However, until this provider type is approved for DMC-ODS, SAPC will not be able to reimburse for their services. Provider associations that engage with the State may consider inquiring about and advocating for this further.</p> <p>b. Psychological Associates, which are Licensed Eligible-(LE) LPHAs under psychologists, are anticipated to be reimbursable under broader psychologist category. SAPC does not believe that the State set different rates for Licensed-Eligible vs. Licensed Providers. We will research further and share our findings with the provider network once our rates are finalized.</p>
7.	<p>How will co-occurring disorders be reimbursed? Will there be coordination with the Department of Mental Health (DMH)?</p>	<p>SAPC already coordinates with DMH, and providers are already receiving referrals from them. However, hiring more licensed clinicians will provide a greater opportunity for increasing the treatment for individuals with co-occurring Serious Mental Illness (SMI) and Substance Use Disorder (SUD) appropriately within our system. SAPC has been in discussions with DMH about expanding their ability to deliver substance use services in their system as the State now allows it and it is also the best way for ensuring that individuals with acute SMI can still receive SUD services within their system. While SUD providers can already treat co-occurring disorders within the scope of their licensure, Registered and Certified SUD counselors can provide</p>

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		services to beneficiaries that are also receiving MH services. Services billed to DMC-ODS will still require a primary SUD diagnosis.
8.	<p>a. Can the duration of Sage blackouts be reduced to enable real-time revenue data consistency for profit and loss statements?</p> <p>b. Will there be more clearly defined parameters around State denials in the future?</p>	<p>a. SAPC strives to minimize Sage payment blackouts to the full extent possible. Additionally, while slightly longer than the previous year, the payment blackout period for the beginning of FY22-23 resulted in only a delay of 2 weeks. During this blackout period, providers were still able to submit claims for Dates of Service prior to the beginning of the new FY and to correct and replace denied claims from prior FYs.</p> <p>b. SAPC is continuously updating its guidance and resources related to local and state denied claims while providing instructions for investigating and resolving these denials based on their CARC/RARC code combinations. Should you have questions about specific denial reasons that you are unsure how to resolve, do not hesitate to open a help desk ticket and a SAPC Finance Analyst can assist you.</p>
9.	Will there be advances offered to ease the hiring of personnel with bigger salaries?	Advances are not being considered. The expectation is that under payment reform, the rates will be sufficient for providers to draw down the necessary cash flow as they will no longer have to wait until the end of the year to reconcile their costs.
10.	When payment reform is implemented, will rates be decreased from current rates of reimbursement?	We recognize the importance in investing more in our system of care and as such, SAPC is not planning on reducing the rates from their current levels. At this time, we remain unclear if DHCS is going to propose rates between the State and the County that are at the level of the current rates. We continue to wait for information from DHCS about residential, withdrawal management and Opioid Treatment Program (OTP) rates to make informed decisions about what the final rates will be under payment reform.
Questions not related to Payment Reform		
11.	Is there a way for agencies to draw-down in KPI and/or Sage the specific services provided by a practitioner in a given month?	KPI does offer the functionality to drill-down the services provided by a specific practitioner in a given timeframe. However, we do anticipate making changes to the tools as we receive more clarity from DHCS so that agencies can leverage them in making their day-to-day decisions under the new CalAIM environment.
12.	Often it takes months for newly hired providers to be approved on Sage. What can be done to speed up this process?	Today's meeting focuses on Payment Reform. However, Sage onboarding is dependent on timely submission of documentation and applicant completion of required training. If you have specific questions related to the Sage onboarding process, please contact sage@ph.lacounty.gov .

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Links provided:

DPH COVID-19 Website: <http://publichealth.lacounty.gov/media/Coronavirus/>
SAPC COVID-19 Webpage: <http://publichealth.lacounty.gov/sapc/providers/covid19/>
DHCS COVID-19 Webpage: <https://www.dhcs.ca.gov/Pages/DHCS-COVID-19-Response.aspx>
SAPC Information Notice 22-01: <http://publichealth.lacounty.gov/sapc/bulletins/START-ODS/22-01/SAPCIN22-01COVID-19.pdf>