



State of California—Health and Human Services Agency  
Department of Health Care Services



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Behavioral Health Information Notice No: 22-003  
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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: Medi-Cal Substance Use Disorder (SUD) treatment services for beneficiaries under age 21.

PURPOSE: To remind counties of existing Medi-Cal coverage of SUD treatment services through the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) mandate and provide counties with information regarding claiming for Medi-Cal SUD treatment services. This Behavioral Health Information Notice (BHIN) also clarifies county obligations to provide early intervention services and other SUD treatment services to beneficiaries under the age of 21 at risk of developing an SUD.

**BACKGROUND:**

The EPSDT mandate requires comprehensive screening, diagnostic, treatment and preventive health care services for individuals under the age of 21 who are enrolled in full scope Medi-Cal. For these beneficiaries, federal EPSDT statutes and regulations require states to furnish all services that are coverable under Section 1905(a) of the Social Security Act (42 U.S.C. § 1396d(a)) and that are needed to correct or ameliorate health conditions, regardless of whether the state has elected to cover those services in its [Medicaid Plan](#). (42 U.S.C. §§1396a(a)(43) and 1396d(r); 42 C.F.R. Part 431, Subpart B.) States are required to provide these comprehensive services to address the behavioral health care needs of covered beneficiaries.

For additional information about the EPSDT mandate and delivery of SUD services to youth, counties may wish to refer to the [joint information bulletin](#)<sup>1</sup> issued by the Centers for Medicare and Medicaid Services (CMS), Center for Medicare and CHIP Services (CMCS), in conjunction with the Substance Abuse and Mental Health Services Administration (SAMHSA). The information bulletin is available through a link at the end of this BHIN.

**POLICY:**

The EPSDT mandate entitles beneficiaries under the age of 21 to all appropriate and medically necessary services coverable under a Medicaid State Plan (as described in 42 U.S.C. § 1396d(a)) that are needed to correct or ameliorate discovered health conditions, regardless of whether those services are covered in the state's Medicaid State Plan.

Under the EPSDT mandate, in addition to Medi-Cal managed care plans' obligation to provide EPSDT screening services and non-specialty mental health services to all members under age 21,<sup>2</sup> as well as provide Alcohol and Drug Screening, Assessment, Brief Interventions and Referral to Treatment (SABIRT) services to members ages 11 years and older with a potential SUD or condition,<sup>3</sup> counties are obligated to provide screening and early intervention services to beneficiaries under the age of 21 at risk of developing an SUD regardless of whether they meet diagnosis criteria for a behavioral health disorder. Any beneficiary under the age of 21 who is screened and determined to be at risk of developing an SUD may receive any service component covered under the outpatient level of care as early intervention services.<sup>4</sup> A diagnosis from the Diagnostic and Statistical Manual or International Classification of Diseases, Tenth Edition (ICD-10) for Substance-Related and Addictive Disorders is not required for early intervention services. Early intervention services are provided under the outpatient treatment modality and must be made available by counties based on individual clinical need, even if the beneficiary under age 21 is not participating in the full array of outpatient treatment services.

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<sup>1</sup> Pages 3-10 of the joint information bulletin identify selected components of a continuum of services to identify, treat, maintain gains and support recovery for youth with substance use or substance use and co-occurring mental health disorders.

<sup>2</sup> For more information regarding Medi-Cal managed care plans' obligations under the EPSDT mandate, see [All-Plan Letter 19-010](#). For more information regarding non-specialty mental health services, see [Welfare & Institutions Code section 14184.402](#) and forthcoming DHCS guidance.

<sup>3</sup> For more information regarding Medi-Cal managed care plans' obligation to provide SABIRT services, see [All-Plan Letter 21-014](#).

<sup>4</sup> The array of SUD treatment services covered in the State Plan are described in the ["Substance Use Disorder Treatment Services"](#) and the ["Expanded Substance Use Disorder Treatment Services"](#) sections of Supplement 3 to Attachment 3.1-A in the Medi-Cal State Plan

In accordance with Welfare & Institutions (W&I) Code § [14184.402\(e\)](#), providers must use the criteria adopted by the American Society of Addiction Medicine (ASAM) to determine the appropriate level of care of SUD treatment service for DMC beneficiaries. However, a full assessment utilizing the ASAM criteria is not required for a DMC or Drug Medi-Cal Organized Delivery System (DMC-ODS) beneficiary under the age of 21 to receive early intervention services; an abbreviated ASAM screening tool may be used. If the beneficiary under the age of 21 meets diagnostic criteria for SUD, a full ASAM assessment shall be performed and the beneficiary shall receive a referral to the appropriate level of care indicated by the assessment.

In addition, under the EPSDT mandate, counties are obligated to provide all SUD treatment services that are coverable under 42 U.S.C. § 1396d(a) whether or not it is covered under the Medicaid State Plan, including but not limited to covered DMC and DMC-ODS services (referred to as Expanded SUD Treatment Services in the State Plan), and regardless of whether the beneficiary under the age of 21 resides in a DMC State Plan County (“DMC County”) or a county participating in the DMC-ODS.

Nothing in this Information Notice limits or modifies the scope of the EPSDT mandate.

### Medical Necessity

In accordance with W&I Code § [14059.5](#) and [14184.402](#), for individuals under 21 years of age, a service is “medically necessary” or a “medical necessity” if the service meets the EPSDT standard set forth in Section 1396d(r)(5) of Title 42 of the United States Code. As described above, the federal EPSDT mandate requires states to furnish all appropriate and medically necessary services that are coverable under a Medicaid State Plan (as described in 42 U.S.C §1396d(a)) as needed to correct or ameliorate screened health, including behavioral health conditions, regardless of whether those services are covered in the state’s Medicaid State Plan. Consistent with [federal guidance](#), services need not be curative or completely restorative to ameliorate a health condition, including substance misuse and SUDs. Services that sustain, support, improve, or make more tolerable substance misuse or an SUD are considered to ameliorate the condition and are thus covered as EPSDT services.

### SUD Services in the Medicaid State Plan

Beneficiaries under age 21 are entitled to receive all medically necessary services coverable under 42 U.S.C. § 1396d(a) whether or not the services are in the state’s Medicaid Plan, including all DMC-ODS services, even if they reside in a DMC county. DMC Counties are required to furnish all SUD services that are covered or could be

covered under the Medi-Cal State Plan that are appropriate and necessary to correct or ameliorate the health, including behavioral health, conditions of beneficiaries under age 21. This includes those services that are provided within the DMC-ODS program, as described in the “Expanded Substance Use Disorder Treatment Services” section of the Medi-Cal State Plan.

The array of SUD treatment services covered in the State Plan are described in the [“Substance Use Disorder Treatment Services” and the “Expanded Substance Use Disorder Treatment Services” sections](#) of Supplement 3 to Attachment 3.1-A in the Medi-Cal State Plan. Prior authorization for these services is not required, with the exception of residential services. As with any Medi-Cal service, providers (including county contracted providers and county operated providers) must properly document the criteria for the services and meet all other applicable program requirements. For DMC Counties, the contract between the counties and the Department of Health Care Services (DHCS) contains specific provisions governing non-perinatal residential services, including residential treatment for beneficiaries under age 21. Counties are responsible for authorizing access to services for beneficiaries meeting established criteria and for reimbursing covered residential services. (see [Medicaid State Plan Amendment 13-038 – Limitations on Attachment 3.1-A, page 20a](#); see also DMC County Contract – Exhibit A, Attachment I , Part V, Section 2, Subsection B(1)(b).) Counties contracting with DHCS to provide DMC services are required to furnish these residential services consistent with the contract and EPSDT requirements, even if the county is not participating in the DMC-ODS program.

#### SUD Services in the DMC-ODS Program

Nothing in the DMC-ODS overrides any EPSDT requirements.

#### Claiming for DMC

##### Claiming for Expanded Services Provided by DMC Counties to EPSDT Beneficiaries

Effective June 10, 2021, an update to the Short Doyle Medi-Cal (SDMC) claiming system allows claiming and reimbursement for Expanded Substance Use Disorder Treatment Services provided by DMC Counties to EPSDT eligible beneficiaries. To claim for Expanded Substance Use Disorder Treatment Services covered under the EPSDT mandate, DMC Counties must use the same billing codes that are currently used by DMC-ODS counties for Expanded Substance Use Disorder Treatment Services.

DMC Counties will claim for services using the current State rates for Expanded Substance Use Disorder Treatment Services. The State rate for a service is equal to the median county interim rate submitted by DMC-ODS Counties for the same Expanded Substance Use Disorder Treatment Service.

DHCS will reimburse DMC counties for the federal share of the Expanded Substance Use Disorder Treatment Services provided to EPSDT beneficiaries for dates of service after June 30, 2020. Counties may request a Delay Reason Code for claims that have surpassed the six-month billing deadline.

#### Claiming Requirements for Expanded Substance Use Disorder Treatment Services

All DMC services must be provided by a DMC-certified provider. If the DMC County is submitting a claim for a service provided by a DMC-ODS county provider, the DMC County does not have to be linked to the provider in the Provider Enrollment Division's Master Provider File for the services to be reimbursed by SDMC.

When claiming for the Expanded Substance Use Disorder Treatment Services in SDMC, DMC counties must submit the claim using current DMC-ODS procedure codes and modifiers.

#### BILLING EXAMPLES:

##### **Example 1: Service available with a Provider within the DMC County:**

A beneficiary under 21 years old (therefore eligible for EPSDT) resides in a DMC County. Residential Treatment 3.5 services are medically necessary. The service facility location is certified for Residential Treatment 3.5 services. The county may submit claims for Residential Treatment 3.5 by using the HCPCS/Modifier combination H0019:U3:HA to be reimbursed through SDMC. As the County of Responsibility or County of Residence, the DMC County submits the claim on an 837P EDI file to SDMC for reimbursement.

##### **Example 2: Service is not available with a Provider within the DMC County:**

A beneficiary under 21 years old (therefore eligible for EPSDT) resides in a DMC County. Withdrawal Management 3.2 services are medically necessary, but not available with a provider in the DMC County. The DMC County must coordinate with another County to locate a service provider that is enrolled in Medi-Cal and certified to provide Withdrawal Management 3.2. After the provider renders a service and the DMC

County has paid the provider, the DMC County then submits claims to SDMC by using the HCPCS/Modifier combinations H0012:U9:HA to be reimbursed by SDMC. As the County of Responsibility or County of Residence, the DMC County submits the claim on an 837P EDI file to SDMC for reimbursement.

### County of Responsibility

A DMC-ODS and DMC County, as an EPSDT beneficiary's County of Responsibility or County of Residence, is responsible for submitting claims to the SDMC claiming system even if services are provided in another county. (See [BHIN 21-032](#) for descriptions of County of Responsibility/Residence.) The county of responsibility should contract with providers as necessary to ensure payment of services rendered. Previously, the county that provided expanded DMC-ODS services to an EPSDT beneficiary (county of service) submitted claims to SDMC regardless of the beneficiary's County of Responsibility or County of Residence.

Questions about this policy may be directed to [CountySupport@dhcs.ca.gov](mailto:CountySupport@dhcs.ca.gov). Questions about billing for Expanded Substance Use Disorder Treatment Services may be directed to [MEDCCC@dhcs.ca.gov](mailto:MEDCCC@dhcs.ca.gov).

### RESOURCES

CMS policy guidance and information bulletins related to the provision of SUD services provided to youth can be accessed using the following links:

- [DHCS EPSDT Website](#)
- [CMS Informational Bulletin on pharmacotherapy for SUD](#), including considerations for adolescents
- [CMS guidance](#) and [additional information](#) regarding coverage of Peer Supports
- [Joint CMCS and SAMHSA Informational Bulletin](#): Coverage of Behavioral Health Services for Youth with Substance Use Disorders

Sincerely,

Original signed by

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