



MICHELLE BAASS
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

DATE: March 3, 2022

Behavioral Health Information Notice No: 22-005
Supersedes: [BHIN 20-056](#), in part

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: Recovery Services components that are reimbursable under the Drug Medi-Cal Organized Delivery System (DMC-ODS)

PURPOSE: To clarify that only existing DMC-ODS Recovery Services components provided by certified/registered Alcohol or Other Drug counselors and Licensed Practitioners of the Healing Arts (LPHAs) are reimbursable effective January 1, 2022.

REFERENCE: [Medicaid State Plan](#) (Supplement 3 to Attachment 3.1A, and Supplement 2 to Attachment 3.1-B); [BHIN 21-075](#); [BHIN 21-041](#)

BACKGROUND:

Under the terms of the Section 1115 Special Terms and Conditions (STCs) that governed the Drug Medi-Cal Organized Delivery System (DMC-ODS) from 2015-2021, counties had the option to provide Substance Abuse Assistance, delivered by peers, as a component of Recovery Services. On December 31, 2021, the Section 1115 demonstration that authorized the DMC-ODS STCs expired. The DMC-ODS STCs that

governed the DMC-ODS from 2015-2021 were replaced by a combination of new DMC-ODS STCs authorized in the [new CalAIM Section 1115 demonstration](#), a [section 1915\(b\) waiver](#), amendments to the California State Plan set forth in [State Plan Amendment \(SPA\) 21-0058](#), and [Behavioral Health Information Notice \(BHIN\) 21-075](#) effective January 1, 2022.

Under the new DMC-ODS STCs, the 1915(b) waiver, [SPA 21-0058](#), and [BHIN 21-075](#), Substance Abuse Assistance is no longer a service component of Recovery Services. Effective January 1, 2022, DMC-ODS counties can no longer bill for Substance Abuse Assistance as a component of Recovery Services.

POLICY:

Effective January 1, 2022, as described in [SPA 21-0058](#) and [BHIN 21-075](#), Recovery Services include the following service components:

- Assessment
- Care Coordination
- Counseling (individual and group)
- Family Therapy
- Recovery Monitoring
- Relapse Prevention

Effective January 1, 2022, as described in [SPA 21-0058](#), and [BHIN 21-075](#), peer-to-peer services or services delivered by peers are no longer covered or reimbursable as a component of Recovery Services. Only Alcohol or Other Drug (AOD) counselors certified/registered in accordance with the California Code of Regulations, Title 9, Division 4, Chapter 8, or licensed practitioners of the healing arts (LPHAs) shall provide Recovery Services. Please see Enclosure 1 for additional information regarding provider qualifications for DMC-ODS services.

[Senate Bill \(SB\) 803](#) (Chaptered in 2020) authorized DHCS to seek the necessary federal authorities to implement Peer Support Services as a new Medi-Cal benefit that counties will have the option of covering in the DMC-ODS program. DMC-ODS counties can cover Peer Support Services on a voluntary basis.¹ As described in [BHIN 21-075](#), Peer Support Services are delivered and claimed as a standalone service. Beneficiaries may concurrently receive Peer Support Services and services from other DMC-ODS levels of care. Peer Support Services will be implemented as a county option for DMC-

¹ See Supplement 3 to Attachment 3.1-A of the [California State Plan](#). DMC-ODS services are described in the “Expanded SUD Treatment Services” section.

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ODS and have an effective date of July 1, 2022, which coincides with the establishment of the state's Peer Specialist Certification Program.

DMC-ODS counties that choose to opt in to cover the Peer Support Services benefit on or after July 1, 2022 will be required to notify DHCS of their implementation date and meet specified requirements, including certification requirements. DHCS will issue forthcoming guidance regarding DMC-ODS county implementation of the new Peer Support Services benefit. For additional guidance regarding the Peer Support Specialist Certification program and Peer Support Specialist Supervisor standards, please refer to [BHIN 21-041](#).

Effective January 1, 2022, counties can no longer submit DMC-ODS claims for services delivered by peers as a component of Recovery Services. Until Peer Support Services are covered as a benefit, at the option of each DMC-ODS county, no earlier than July 1, 2022, the only way for counties to cover services delivered by peers is by leveraging other eligible funds within their SUD prevention and treatment system, including but not limited to the Substance Abuse Prevention and Treatment Block Grant (SABG). Peer-to-peer services are a permissible expenditure under SABG and can fall under any of the SABG designated categories, as appropriate. Counties may refer to [BHIN 20-056](#), Enclosure 5, for more information regarding the use of the Substance Abuse Prevention and Treatment Block Grant to pay for peer-to-peer services.

The Short Doyle Medi-Cal (SDMC) system edit to deny claims for Recovery Services – Substance Abuse Assistance (T1012) has not yet been deployed. DHCS will notify counties when SDMC has been updated with this edit. In the interim, DMC-ODS counties should not submit claims for the Substance Abuse Assistance service component of Recovery Services with dates January 1, 2022 and after. If a county has submitted Substance Abuse Assistance claims for January 1, 2022 and after, the county should void the claims.

Sincerely,

Original signed by

Shaina Zurlin, PsyD, LCSW, Chief
Medi-Cal Behavioral Health Division

ENCLOSURE 1: DMC-ODS Practitioner Qualifications, per approved [SPA 21-0058](#)

	Expanded SUD Treatment Services											
	Assessment*	Care Coordination**	Crisis Intervention	Family Therapy	Counseling (Individual and Group)	Medical Psychotherapy	Medication Services	Patient Education	Peer Support Services	Observation	Recovery Services	Prescribing and Monitoring of MAT for AUD and Other Non-Opioid Substance Use Disorders
Practitioner Qualifications	C, L*	C, L	C, L	L	C, L	M	L	C, L	P	C, L	C, L	L***

C = Counselors

An Alcohol or other drug (AOD) counselor that is either certified or registered by an organization that is recognized by the Department of Health Care Services and accredited with the National Commission for Certifying Agencies (NCCA).

L = Licensed Practitioner of the Healing Arts

A Licensed Practitioner of the Healing Arts (LPHA) include any of the following: Physician, Nurse Practitioner (NP), Physician Assistant (PA), Registered Nurse, Registered Pharmacist, Licensed Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW), Licensed Professional Clinical Counselor (LPCC), and Licensed Marriage and Family Therapist (LMFT), and licensed-eligible practitioner working under the supervision of a licensed clinician.

M = Medical director of a Narcotic Treatment Program

The medical director of a Narcotic Treatment Program is a licensed physician in the State of California.

P = Peer Support Specialist

A Peer Support Specialist is an individual in recovery with a current State-approved Medi-Cal Peer Support Specialist Certification Program certification and must meet ongoing education requirements. Peer Support Specialists provides services under the direction of a Behavioral Health Professional.

Notes

*The physical examination shall be conducted by an LPHA in accordance within their scope of practice and licensure. An SUD diagnosis may only be made by an LPHA.

** Certified counselors may assist with some aspects of this service, however, a licensed provider is responsible for supervising the discharge planning service component.

All personnel performing observations must complete training in withdrawal management.

***May be provided by an LPHA within their scope of practice.