CalAIM Behavioral Health Workgroup

Contingency Management Pilot Program

January 20, 2022

2:00pm – 4:00pm PT

DHCS

Preliminary, Pre-Decisional Policy for Discussion

Agenda

- Why Contingency Management?
- Pilot Program Overview
- Timeline
- Proposed Program Design
- CalAIM Behavioral Health Workgroup Discussion
- Public Comment

Why Contingency Management?

Contingency management (CM) is an evidence-based practice that recognizes and reinforces individual positive behavior change consistent with stimulant non-use.

- **CM provides motivational incentives for non-use of stimulants** as evidenced by negative drug tests.
- **CM repeatedly has demonstrated robust outcomes,** including reduction or cessation of drug use for individuals with stimulant use disorder (StimUD) and longer retention in treatment.
- To expand access to evidence-based treatment for StimUD, **DHCS intends to pilot Medi-Cal coverage of CM beginning July 1, 2022.**
- **DHCS intends to use the pilot as a basis for informing the design and implementation of a statewide CM benefit** pending budgetary and statutory authority.

Pilot Program Overview

In December 2021, DHCS received first-in-the-country approval from the Centers for Medicare and Medicaid Services (CMS) to cover CM as a Medicaid benefit. DHCS intends to pilot Medi-Cal coverage of CM in participating counties from July 2022-March 2024. Eligible Medi-Cal members will:

Participate in a **structured 24-week outpatient CM program**, followed by 6+ months of additional recovery support.

Receive incentives for **testing negative for stimulants only**, even if they test positive for other illicit drugs.

Earn incentives over the treatment period in the form of low-denomination gift cards.

Track progress using either a **web-based or** (beginning July 2022) **mobile CM vendor** (phased in at later date).

CM Policy Design Paper

On January 3, 2022, DHCS released a draft contingency management policy design paper for stakeholder feedback, which outlines initial policy and operational decisions.

- The CM policy design paper was **developed in partnership with nationally recognized experts** from the University of California, Los Angeles (UCLA) Integrated Substance Abuse Programs and key stakeholders.
- Following the January 3 – January 14 public comment period, **DHCS has begun incorporating stakeholder feedback** into a final policy design paper.
- The **final policy design paper** will serve as a guide for participating Drug Medi-Cal Organized Delivery System (DMC-ODS) counties, DMC-ODS providers, external incentive manager vendors and other key stakeholders on the implementation of the CM pilot program.

Timeline (1/2)

Contingency Management Pilot Program	
January 2022	DMC-ODS county request for applications (RFA) issued: January 3, 2022
February 2022	DHCS posts responses to county questions: February 1, 2022
	County applications due for Phase I: February 15, 2022
	County letters of interest due for Phase II: February 15, 2022
	Notification of Phase I counties: February 28, 2022
	Incentive manager vendor RFA issued: February 28, 2022 (anticipated)
April 2022	County applications due for Phase II: April 15, 2022
	Phase I county initial provider contracts complete: April 30, 2022

Timeline (2/2)

Contingency Management Pilot Program	
May 2022	Notification of Phase II counties: May 2, 2022
	DHCS-sponsored CM training begins: May 2, 2022
July 2022	Federal authorization for the Medi-Cal CM benefit begins: July 1, 2022
	Phase I county initial provider deadline to start services: July 31, 2022
September 2022 – December 2022	Phase II counties begin to offer CM: No sooner than September 1, 2022 and no later than December 31, 2022
March 2024	Pilot completion: March 31, 2024

Stakeholder engagement will occur throughout the process

Proposed Program Design

Additional details on DHCS' proposed program design can be found in the draft CM pilot program policy design.

Pilot Program Beneficiary Eligibility

Medi-Cal Beneficiary Eligibility

- Beneficiaries must be assessed and diagnosed with a StimUD for which CM is medically necessary.
- Beneficiaries must reside in a participating DMC-ODS county that DHCS has approved to pilot CM.
- Beneficiaries must not be enrolled in another contingency management program for StimUD.
- Beneficiaries must receive services from a non-residential DMC-ODS provider that offers the contingency management benefit in accordance with DHCS policies and procedures.

If a beneficiary chooses to participate in only some of the services identified in their treatment plan (e.g., they only participate in CM), they will not be penalized or discharged from the CM program.

Pilot Program Provider Eligibility

Provider Eligibility and Requirements
• DMC-ODS providers offering outpatient, intensive outpatient and/or partial hospitalization services and/or narcotic treatment programs (NTPs) will be eligible to offer CM. • Providers will be required to offer complementary services and evidence-based practices for StimUD in addition to CM (e.g., individual and group counseling, medication for addiction treatment (MAT), peer supports). • Providers will need to develop a treatment approach that includes other behavioral interventions to support beneficiaries to reduce stimulant use. • Providers will need verify beneficiaries' Medi-Cal eligibility before permitting them to enroll in CM. • Providers will need to obtain beneficiary consent for the CM treatment.

Role of the CM Coordinator (1/2)

Participating providers will be required to have a designated CM coordinator who will lead the tracking and delivery of all CM services, including drug screens and incentive distribution.

- **Core competencies of the CM coordinator** include:
  - Excellent organizational skills
  - Skills in following laboratory sample handling/disposal procedures
  - Excellent computer skills
  - Excellent communications skills
- **CM coordinators will receive comprehensive training** and be responsible for:
  - Collecting urine samples
  - Inputting urine drug test results into the designated database
  - Supporting delivery of incentives
  - Meeting with program participants to discuss progress and goals

Role of the CM Coordinator (2/2)

Participating providers will be required to have a designated CM coordinator who will lead the tracking and delivery of all CM services, including drug screens and incentive distribution.

- **Professionals who can serve as CM coordinators include**:
  - Licensed Practitioners of the Healing Arts (LPHAs)
  - Substance use disorder (SUD) counselors that are either certified or registered by an organization that is recognized by DHCS and accredited with the National Commission for Certifying Agencies
  - Certified peer support specialists
  - Other trained staff under supervision of an LPHA

Basic Treatment Approach (1/2)

While the details of the duration and size of incentive payments may undergo further refinement, DHCS anticipates that the basic design will be a 24-week outpatient treatment experience followed by a six month or longer period of aftercare and recovery support services.

Initial 12-Week Period (Weeks 1-12)

- Two in-person treatment sessions per week where beneficiaries can receive incentives.
- The size of incentives a beneficiary will be eligible to receive will increase each week they demonstrate non-use of stimulants.
- A “reset” will occur when a beneficiary submits a positive sample or has an unexcused absence.
- The next time they submit a stimulant-negative sample, the incentive will return to the initial amount.
- A “recovery” of the pre-reset value will occur after two consecutive stimulant-negative urine samples.

Basic Treatment Approach (2/2)

While the details of the duration and size of incentive payments may undergo further refinement, DHCS anticipates that the basic design will be a 24-week outpatient treatment experience followed by a six month or longer period of aftercare and recovery support services.

Maintenance Period (Weeks 13 – 24)

- One in-person treatment session per week where beneficiaries can receive incentives.
- Incentive limits may change throughout the weeks of the maintenance period.
- Following the maintenance period, beneficiaries may participate in an additional 6 month or longer period of aftercare and recovery support services.

Incentive Distribution

DHCS will procure and work with an external vendor(s) to design, implement and support the distribution of incentives to qualifying CM program participants.

- **Incentive Calculation**
  - The CM coordinator will enter the results of the beneficiary's urine drug test into a secure CM program that will calculate and report the amount of any incentive the participant should receive that visit.
  - The "incentive calculator" will alert the incentive manager to distribute an incentive.
- **Incentive Distribution**
  - DHCS will first implement CM using a **web-based incentive manager vendor,** which will allow beneficiaries to receive physical or emailed incentives.
  - DHCS anticipates phasing in **a mobile incentive manager vendor.**

Incentive Types

DHCS will procure and work with an external vendor(s) to design, implement and support the distribution of incentives to qualifying CM program participants.

- **Incentive Types**
  - Available incentives will include options from a variety of retail stores, grocery stores and gas station outlets.
  - Beneficiaries will not be able to use the gift cards to purchase cannabis, tobacco, alcohol or lottery tickets.

Funding Strategy (1/2)

DHCS will cover start-up and ongoing county and provider administrative and benefit expenses related to the provision of CM services. Additional details on DHCS' reimbursement approach will be released in a forthcoming guidance.

- DHCS anticipates having **$58.5M in Home and Community-Based Services (HCBS) funding** available for the CM pilot program.
- DHCS intends to reimburse counties' **administrative expenses**, including:
  - Staff recruitment and hiring costs
  - Personnel costs
  - Technology costs: hardware or software
  - Project management and planning costs, including use of consultants and coordination with local organizations
  - Purchase of supplies or equipment
  - Other administrative costs

Funding Strategy (2/2)

DHCS will cover start-up and ongoing county and provider administrative and benefit expenses related to the provision of CM services. Additional details on DHCS' reimbursement approach will be released in a forthcoming guidance.

- DHCS is **designating the code H0050** to cover all CM services provided by the CM coordinator, including supply costs for urine drug tests.
- DHCS is also developing a strategy to determine **a suggested rate range** for counties to use when reimbursing CM.
- The **rate range will include the following activities:**
  - Staffing costs (salaries and benefits) and inclusive of supervisor's time
  - Productivity assumptions
  - Caseload size (number of individuals that can be on a CM Coordinator's caseload)
  - Urine drug testing

Other Program Elements

CM services will be complemented by ongoing training and technical assistance and a robust evaluation process, while protecting against fraud, waste, and abuse.

Training	Evaluation	Oversight
• Participating counties and SUD providers will be required to participate in start-up training and ongoing technical assistance. • Synchronous, live trainings will be offered beginning May 2022.	• The impact of the pilot program will be measured through a robust evaluation process. • DHCS will release an interim and a final evaluation report, along with quarterly reports to inform future budget decisions.	• Each treatment program will have a policies and procedures manual. • All providers will be required to complete readiness reviews. • DHCS and counties will conduct robust monitoring and oversight of CM providers.

County Responsibilities (1/2)

Participating DMC-ODS counties will be responsible for working with DHCS and providers to organize CM trainings, implement CM services, and provide ongoing monitoring and oversight.

- **Implementation Schedule**
  - Counties must provide an Implementation Schedule within 30 days of contract execution that sets forth the anticipated dates for conducting required pilot activities.
- **Provider network and contracts**
  - Each participating county must establish a provider network to deliver CM services in accordance with DHCS requirements and develop and execute formal contracts with the providers participating in the pilot program.
- **Program financing**
  - Counties are responsible for reimbursing contracted providers for CM services. DHCS will reimburse the nonfederal share of CM, training costs, drug testing and other administrative costs.

County Responsibilities (2/2)

Participating DMC-ODS counties will be responsible for working with DHCS and providers to organize CM trainings, implement CM services, and provide ongoing monitoring and oversight.

- **Training**
  - County representatives must participate in required CM trainings and must verify that providers have completed all requisite trainings and meet readiness requirements.
- **Reporting**
  - Using data provided by the incentive manager, counties will submit quarterly reports and a brief final report with information about participating providers and beneficiaries to support the CM evaluation.
- **Monitoring**
  - Counties will be responsible for working with DHCS to monitor providers during the CM pilot program. DHCS intends to release additional guidance that details county expectations related to provider oversight.