



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

DATE: November 15, 2016

MHSUDS INFORMATION NOTICE NO.: 16-059

TO: COUNTY BEHAVIORAL HEALTH PROGRAM DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTOR'S ASSOCIATION
CA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS

SUBJECT: SUBSTANCE ABUSE PREVENTION AND TREATMENT BLOCK GRANT
FUNDED ROOM AND BOARD FOR TRANSITIONAL HOUSING,
RECOVERY RESIDENCES AND RESIDENTIAL TREATMENT
SERVICES

PURPOSE

This notice provides clarification regarding the use of Substance Abuse Prevention and Treatment Block Grant (SABG) discretionary funds to cover the cost of room and board for the following services:

1. Transitional Housing (TH) in counties that contract to provide State Plan substance use disorder (SUD) prevention, treatment and recovery services.
2. Recovery Residences (RRs) in counties that enter into a state-county intergovernmental agreement to participate in the Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver.
3. Residential SUD treatment services in counties that enter into a state-county intergovernmental agreement to participate in the DMC-ODS Waiver.

BACKGROUND

For several years the Department of Health Care Services (DHCS), in consultation with the County Behavioral Health Directors Association of California (CBHDA), has sought approval and guidance from the Substance Abuse and Mental Health Services

Administration (SAMHSA) for the inclusion of county administered, SABG-funded TH as an essential recovery support service in California's SUD continuum of care.

SAMHSA has recently provided guidance that:

- Encourages states to use SABG funding for the provision of short term (up to 24 months) support service linkages to temporary housing, including payment of room and board for beneficiaries in TH and RRs.
- Confirms that SABG funds can be used for payment of the room and board component of residential treatment services under the DMC-ODS Waiver.

POLICY

State Plan - Transitional Housing (TH)

Counties contracting to provide State Plan SUD services may offer TH as an essential support service in their SUD continuum of care in adherence with the following guidance:

- TH does not provide SUD services or require licensure by DHCS.
- All TH residents must be actively engaged in SUD treatment services to be provided off-site.
- Each county should develop guidelines for contracted TH providers and provide monitoring and oversight.

DMC-ODS Waiver - Recovery Residences (RRs)

Counties entering into a state-county intergovernmental agreement to participate in the DMC-ODS Waiver may offer RR services as an ancillary component of the DMC-ODS Waiver in adherence with the following guidance:

- RRs do not provide SUD services or require licensure by DHCS.
- All RR residents must be actively engaged in medically necessary recovery support services to be provided off-site.
- Each county should develop guidelines for contracted RR providers and provide monitoring and oversight.

DMC-ODS Waiver - Residential Treatment

Counties entering into a state-county intergovernmental agreement to participate in the DMC-ODS Waiver are required to provide at least one American Society of Addiction Medicine (ASAM) level of residential treatment for approval of a county implementation plan in the first year. The county implementation plan must demonstrate ASAM levels of Residential Treatment Services 3.1, 3.3, and 3.5 within three years of Centers for Medicare and Medicaid (CMS) approval of the county implementation plan and state-county intergovernmental agreement. The county must describe coordination for ASAM levels 3.7 and 4.0.

Under the DMC-ODS Waiver:

- Residential treatment is a non-institutional, 24-hour, non-medical, short-term residential program providing rehabilitation services to beneficiaries with a SUD diagnosis.
- A Medical Director or Licensed Practitioner of the Healing Arts must determine that the residential treatment is medically necessary and in accordance with the beneficiary's individualized treatment plan.
- For additional information regarding residential treatment services under the DMC-ODS Waiver, please select the link below:

Residential Treatment Services Frequently Asked Questions

http://www.dhcs.ca.gov/provgovpart/Documents/DMC_ODS_Residential%20_09_16.pdf

QUESTIONS

Questions regarding this Information Notice should be directed to Allen Scott at Allen.Scott@dhcs.ca.gov.

Sincerely,

Original signed by

Karen Baylor, Ph.D., LMFT, Deputy Director
Mental Health & Substance Use Disorder Services