



Level of Care Designations/Certifications for AOD Treatment Facilities (Implementation of Senate Bill 823) Frequently Asked Questions

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The following responses to the frequently asked questions intend to provide applicants and licensed adult alcohol or other drug recovery or treatment (AOD) facilities with additional guidance and clarification to the implementation of Senate Bill (SB) 823. This document will be updated as necessary.

1. What is SB 823?

SB 823 was enacted in 2018. The bill adds Section 11834.015 to the Health and Safety Code (HSC) and requires the Department of Health Care Services (DHCS) to adopt the American Society of Addiction Medicine (ASAM) treatment criteria, or an equivalent evidence-based standard, as a minimum standard of care for all licensed adult AOD facilities. SB 823 authorizes DHCS to implement, interpret, or make specific provisions of the bill by means of provider bulletins or similar instructions. The Department has implemented SB 823 through [Behavioral Health Information Notice \(BHIN\) No.: 21-001](#).

2. What is ASAM?

Founded in 1954, ASAM is a professional society representing over 3,600 physicians, clinicians and associated professionals in the field of addiction medicine. ASAM is dedicated to increasing access and improving the quality of addiction treatment, educating physicians and the public, supporting research and prevention, and promoting the appropriate role of physicians in the care of patients with addiction.

3. What is [The ASAM Criteria](#)©?

ASAM's treatment criteria, formerly known as the ASAM patient placement criteria, is defined as one national set of criteria for providing outcome-oriented and evidence based treatment for addiction. The ASAM criteria utilizes comprehensive

multidimensional assessment and a seamless continuum of services necessary for the treatment of individuals with substance use disorders. Properly credentialed or licensed personnel with addiction treatment experience are required when using the ASAM criteria, which is designed to deliver a person-centered, individualized, and outcome-driven success.

4. What DHCS Level of Care (LOC) Designations are currently available to apply for?

In accordance with HSC Section 11834.015, DHCS adopted the ASAM treatment criteria as the minimum standard of care for licensed AOD facilities. This requires all licensed AOD facilities to obtain at least one DHCS LOC Designation and/or at least one residential ASAM LOC Certification consistent with all of its program services. If an AOD facility opts to obtain an ASAM LOC Certification for a particular LOC, then that facility will not be required to obtain a DHCS LOC Designation for that same LOC.

As part of this designation program, DHCS developed an application process for the following DHCS LOC Designations:

- DHCS Level 3.1 – Clinically Managed Low-Intensity Residential Services,
- DHCS Level 3.2 – Clinically Managed Residential Withdrawal Management (WM),
- DHCS Level 3.3 – Clinically Managed Population-Specific High-Intensity Residential Services, and
- DHCS Level 3.5 – Clinically Managed High-Intensity Residential Services.

After complete review and approval by the Department for the submitted DHCS LOC Designation Application and supporting documentation, each facility will be given a provisional LOC designation. The provisional status of the DHCS LOC designation will remain on the residential treatment facility license until verification of the designation is completed during an on-site and/or virtual compliance visit.

5. A licensed AOD facility has a previously issued DHCS Provisional ASAM LOC Designation. What steps need to be taken for this facility be in compliance with SB 823 requirements?

For a licensed AOD facility seeking no change in designation(s) and are not approved by DHCS for detoxification services, nor pending approval by DHCS for detoxification services, a Current Provider LOC Attestation Statement ([DHCS 4031](#)) must be submitted to DHCS no later than November 30, 2021. The attestation acknowledges the facility's responsibility to maintain compliance with applicable level of care requirements, regulations, and standards that govern the operation of the facility.

Licensed AOD facilities seeking additional designation(s) must submit a DHCS LOC Designation Application ([DHCS 4022](#)) and required supporting documents. The facility must receive DHCS approval for the new designation(s) prior to providing the new LOC service(s).

6. What is the difference between a previously issued DHCS ASAM LOC Designation and the new DHCS Level of Care Designation?

Prior to the passage of SB 823, and as part of the Drug Medi-Cal Organized Delivery System (DMC-ODS) waiver requirements, DHCS issued provisional ASAM LOC Designations to licensed AOD programs participating in the waiver or to programs requesting the designation(s). Upon implementation of SB 823, DHCS will change the name of the designations to DHCS LOC Designations as a way to distinguish DHCS LOC Designations from ASAM LOC Certifications (Please see questions #7 & #9 for more information on the ASAM LOC certification in lieu of a DHCS LOC Designation). All DHCS Designations previously issued as a DHCS ASAM LOC Designation will convert to a DHCS LOC Designation providing the program follows up with DHCS for ensuring the transition is complete.

7. What is the difference between the DHCS LOC Designation and the ASAM LOC Certification?

DHCS LOC Designations are issued and maintained solely by DHCS. The DHCS LOC Designations are not equivalent to or affiliated with the ASAM LOC Certifications developed by ASAM. As stated above, the Department's designation program includes the following levels of care:

- DHCS Level 3.1 – Clinically Managed Low-Intensity Residential Services,
- DHCS Level 3.2 – Clinically Managed Residential WM,
- DHCS Level 3.3 – Clinically Managed Population-Specific High-Intensity Residential Services, and
- DHCS Level 3.5 – Clinically Managed High-Intensity Residential Services.

In contrast, ASAM developed the level of care content and partnered with the [Commission on Accreditation of Rehabilitation Facilities \(CARF\) International](#) to independently issue and maintain ASAM LOC Certifications. Facilities must contact ASAM/CARF directly to obtain information regarding its certification process and requirements to obtain an ASAM LOC Certification. Currently, ASAM certifies the following levels of care:

- ASAM Level 3.1 – Clinically Managed Low-Intensity Residential Services,
- ASAM Level 3.5 – Clinically Managed High-Intensity Residential Services, and
- ASAM Level 3.7 – Medically Monitored High-Intensity Inpatient Services.

8. Can a residential AOD facility receive more than one DHCS LOC Designation?

Yes. A residential facility may have up to four designations: DHCS LOC 3.1, 3.3, 3.5, and/or 3.2-WM depending on the services the program is capable of providing.

9. Can a residential AOD facility obtain both a DHCS LOC Designation and ASAM LOC Certification?

Yes. Nothing precludes a facility from obtaining both a DHCS LOC Designation and ASAM LOC Certification.

10. Is there a fee involved with acquiring a DHCS LOC Designation for DHCS licensed AOD facilities?

No. Currently, there is no fee required to receive a DHCS LOC Designation.

11. What is the process in obtaining a DHCS LOC Designation?

Refer to BHIN No.: 21-001 for detailed timelines of application and required documentation to submit to DHCS.

12. What if the residential AOD facility opts for the ASAM Level of Care Certification only?

For initial applicants that are not seeking to include detoxification services, the required submission to DHCS are an Initial Treatment Provider Application ([DHCS 6002](#)), New Provider Attestation Statement ([DHCS 4030](#)), and either 1) a copy of its ASAM LOC Certification, or 2) documentation demonstrating that it has applied for an ASAM LOC.

Initial applicants seeking a DHCS AOD license with detoxification services opting for ASAM LOC Certification are still required to apply for DHCS Level 3.2 – Clinically Managed Residential Withdrawal Management, and submit to DHCS:

- An Initial Treatment Provider Application ([DHCS 6002](#));
- A New Provider LOC Attestation Statement ([DHCS 4030](#));
- A DHCS LOC Designation Application (DHCS 4022) and required supporting documents for DHCS Level 3.2 – Clinically Managed Residential Withdrawal Management and required supporting documents; and
- Either 1) a copy of its ASAM LOC Certification, or 2) documentation demonstrating that it has applied for an ASAM Level of Care Certification.

For licensed AOD facilities that are not approved by DHCS for detoxification services, nor pending approval by DHCS for detoxification services, shall submit a

Current Provider LOC Attestation Statement ([DHCS 4031](#)) and either 1) a copy of its ASAM LOC Certification or 2) documentation demonstrating that it has applied for an ASAM LOC no later than December 31, 2021.

Licensed AOD facilities that opt to obtain an ASAM LOC Certification and are approved by DHCS for detoxification services, or pending approval by DHCS for detoxification services shall submit the following to DHCS no later than December 31, 2021:

- A DHCS LOC Designation Application (DHCS 4022) and required supporting documents for DHCS LOC 3.2 - Clinically Managed Residential Withdrawal Management and required supporting documents; and,
- Either 1) a copy of its ASAM LOC Certification or 2) documentation demonstrating that it has applied for an ASAM LOC.

13. Why does the department issue a provisional designation to licensed AOD facilities?

After completed review and approval of the DHCS LOC Designation application package, each facility will be given a provisional designation. This designation is provisional because it is based on the self-assessment application and discussions with the AOD facility. DHCS will need to conduct an on-site or virtual compliance review of the facility to verify that the facility is capable of delivering care consistent with the ASAM treatment criteria for the relevant designation level(s) and ensure compliance with BHIN No.: 21-001.

14. We are a DHCS licensed residential detoxification facility, how does that affect our designation?

DHCS has included Level 3.2-WM into the designations program, which is available to residential facilities providing detoxification services. The facility can apply for Level 3.2-WM by submitting a DHCS LOC Designation Application and other required documentation to the Department.

15. Will DHCS be providing LOC designations to any other DHCS licensed or certified facility categories, other than residential AOD facilities?

No, not at this time. The Department is only providing LOC designations to DHCS licensed residential AOD facilities.

16. Are residential treatment facilities required to obtain a DHCS LOC Designation?

No, residential AOD facilities are required to obtain at least one DHCS LOC Designation and/or at least one residential ASAM LOC Certification as part of the licensing requirement.

However, if an AOD facility is approved or pending approval for detoxification services by DHCS, then the facility will be required to obtain a DHCS LOC Designation for DHCS Level 3.2 – Clinically Managed Residential WM. Failure to comply with these requirements shall result to citations and subject to disciplinary action, including but not limited to license suspension or revocation.

17. Are there corresponding Title 9 Regulations that licensed residential facilities are required to follow regarding the ASAM treatment criteria?

SB 823 requires DHCS to adopt regulations by January 1, 2023. Until regulations are adopted, SB 823 allows DHCS to implement, interpret, or make specific provisions of the HSC section through provider bulletins or similar instructions. The Department has implemented SB 823 through BHIN No.: 21-001.

18. Does obtaining a higher DHCS LOC Designation and/or ASAM LOC Certification guarantee eligibility for lower DHCS LOC Designations and/or ASAM LOC Certifications?

No. An approval of DHCS LOC Designation(s) for a licensed AOD residential facility is dependent on the following, but not limited to, its program services, qualified and/or credentialed personnel, and overall program operation. AOD facilities may contact [ASAM/CARF](#) directly for additional criteria information regarding ASAM LOC Certification.

19. Will an ASAM Level 3.7 Certification be sufficient to meet the BHIN No.: 21-001 Requirements?

The ASAM/CARF Level 3.7 Certification (Medically Monitored High-Intensity Inpatient Services) exceeds the scope of services allowable in DHCS licensed AOD residential facilities, and would therefore not be applicable to the requirements specified in BHIN No.: 21-001. If a DHCS licensed AOD residential facility opts to obtain an ASAM/CARF Certification, LOC 3.1 and 3.5 will meet the requirements set forth in BHIN No.: 21-001. Moreover, as a part of the DHCS licensure, AOD facilities must obtain the appropriate levels of care consistent with all of its program services to meet designation/certification requirements. DHCS is currently approving Levels 3.1, 3.2-WM, 3.3, and/or 3.5, depending on the services provided in the facility.

20. We are a DHCS licensed residential facility with DHCS designation(s), does that affect any DMC billing?

The Licensing and Certification Division only approves DHCS LOC Designations for AOD residential facilities. Please forward any inquiries in regards to DMC billing, claims, or rates to MEDCCC@dhca.ca.gov.

21. Who can conduct level of care assessments and make the final determination for the Level of Care?

In accordance to BHIN No.: 21-001, registered and/or certified alcohol and/or other drug counselors are allowed to conduct LOC assessments if an Licensed Practitioner of the Healing Arts (LPHA) reviews and makes the final determination for the level of care. Additionally, interns registered with the California Board of Psychology or the California Board of Behavioral Sciences have been included under the LPHA Non-Physician category; therefore, will be able to make the final determination for the level of care.

22. Is a LOC assessment required if a resident is undergoing the detoxification phase of treatment?

An exception has been made for residents during the detoxification phase where a pre-assessment within 72 hours following admission is acceptable. This is contingent to the resident being transferred into a subsequent level of care where a full assessment would be completed.

For additional information visit:

- [DHCS LOC Designation webpage](#)
- [BHIN No.: 21-001](#)
- [Chapter 781, SB 823 Legislation](#)

If you have questions, please contact the DHCS LOC Designation Unit at LCDLOCDesig@dhcs.ca.gov.