The healthcare system has been in transition since adoption of the Affordable Care Act (ACA) in 2010. With expansion of the Medi-Cal eligible population in January 2014 and the State’s submission of the Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver to the Centers for Medicare and Medicaid (CMS) in November 2014, the substance use disorder (SUD) system is on the pathway to parity with the physical and mental health systems. This will be a long, and at times challenging transition for our field, but necessary to improve the quality and availability of services that will lead to better health and social outcomes for our clients.
New Opportunities for SUD System and its Clients

- A full continuum of care for Medi-Cal eligible clients
- New reimbursable services to improve quality of care
- Integration of care with physical and mental health
- Solidify SUD’s status as a chronic health condition rather than an acute health condition

This is a time of new opportunities for our system of services and the clients it serves:

- The DMC-ODS Waiver will contribute to a more robust system of care due to expansion in DMC funded levels of care (formerly modalities) that now include withdrawal management (formerly known as detox) and residential services, as well as improved outcomes because services can better match the client’s real level of need.
- It will also be an opportunity for us to significantly expand services for youth and young adults, and implement more programs that are developmentally appropriate.
- Both the County and providers will need to prioritize integration and coordination of SUD services with those of physical and mental health to improve client level outcomes and achieve system level change.
- Overall, this transformation will solidify SUD as a chronic health condition like diabetes which is managed over the long-term through appropriate services and care management rather than as an acute condition like an asthma attack where services are available based on an immediate or life-threatening need. With this, it is time for the SUD system’s time to embrace its new role as an integral member of a coordinated health care system.

Integrated SUD – MH – HS Services: Essential Components in Supporting Community Health

This transformation not only necessitates increased collaboration and care coordination with the Departments of Health Services and Mental Health that have more traditionally served our clients but also with health plans such as LA Care and Health Net who with expansion of insurance benefits now manage the preventative health, sub-acute mental health and other general health services for a greater proportion of our population.

Increased collaboration and coordination, however, does not stop with these three systems (health, mental health, substance use) but instead must extend to the communities where individuals live and work to more fully achieve the prevention and community health goals of ACA. We will need to look to communities and other stakeholders to help identify key elements and considerations for achieving health and wellness at the local level, and how best to appreciate and address the varied needs and preferences of residents throughout Los Angeles County.

One way to do this is through developing, implementing, and coordinating services and projects locally through health neighborhoods or regional networks. We will be exploring how to best achieve this in the coming months.

Efforts to improve coordination of health, mental health, and public health services may be enhanced through the integration of these three County departments. Some immediate steps are now underway but this too will be an extensive planning an implementation process and will impact SAPC development of its SUD prevention and treatment services.

As you will see in the presentations to follow, the SUD system will look very different from what we know today, but through collaboration, dedication, and time we will develop a system of care that better addresses the needs of our clients and contributes to improved health for all individuals residing in Los Angeles County.

One Los Angeles County Health Agency

- On August 11, 2015 the Los Angeles County Board of Supervisors approved a motion to integrate the Departments of Health Services (DHS), Mental Health (DMH), and Public Health (DPH) into a single health agency structure.

  - Immediate steps include:
    - Draft a new County ordinance to allow implementation
    - Appoint an Interim Health Agency Director
    - Create a temporary oversight body that includes DHS, DMH, and DPH
    - Create an Integration Advisory Board
    - Draft a strategic plan
    - Create a community prevention and population taskforce
The Expanding DMC Eligible Population

Who Will be at Our Door under the ACA?

General, Current DMC, and Expansion Population, LAC 2013 (Adults)

- General Population
- Current DMC Population (<100% FPL)
- Expansion Population (100-138% FPL)

** A large number of the expansion population do not speak English well or do not speak English at all.
Drug Medi-Cal Eligible Youth and Adults (138% FPL)

DMC Eligible Youth

- No clients served in LAC (2014)
- 1 - 150
- 151 - 300
- 301 - 450
- 451 - 600
- 601 - 750
- 751 - 1000
- 1001 - 1250
- 1251 - 1500
- 1501 - 1750
- 1751 - 2000

DMC Eligible Adult

- No clients served in LAC (2014)
- 1 - 150
- 151 - 300
- 301 - 450
- 451 - 600
- 601 - 750
- 751 - 1000
- 1001 - 1250
- 1251 - 1500
- 1501 - 1750
- 1751 - 2000

Number of Clients Served and DMC Expansion Population
Hot Spot Analysis (FPL 100 to 138%)

Hot spot areas (red) indicate the highest concentration of DMC expansion populations.

No clients served in LAC (2014)
- 1 - 150
- 151 - 300
- 301 - 450
- 451 - 600
- 601 - 750
- 751 - 1000
- 1001 - 1250
- 1251 - 1500
- 1501 - 1750
- 1751 - 2000

DMC Expansion Population (FPL 100 to 138%)
- No clients served
- No clients served
- No clients served
- No clients served
- No clients served
- No clients served
- No clients served
- No clients served
- No clients served
- No clients served

Populations NOT Served by Drug Medi-Cal

- Those who do not meet requirements of medical necessity, which is composed of diagnosis and intervention:
  - Meet current DSM diagnosis for a Substance Use Disorder
  - Recommended service meets level of intervention consistent with the current edition of the ASAM Criteria
- Undocumented individuals
- In-custody populations
It is clear through implementation of the Affordable Care Act (ACA), the California Department of Health Care Services (DHCS) Waiver application, and the recently released letter from the Centers for Medicare and Medicaid (CMS) titled New Service Opportunities for Individuals with a Substance Use Disorder that SUD services will be expanded and improved in the coming years. Therefore, SAPC drafted a document titled Vision Description: Transforming the Los Angeles County Substance Use Disorder System of Care to begin the dialogue with our contractors and stakeholders on what this could look like in our County.

While many of DHCS’ DMC-ODS Standard Terms and Conditions are required as a condition of participation, there will be room to develop how these requirements will be implemented at the County level. Therefore, today we will go over key elements of SAPC’s vision for the new system of care, and will look forward to continued input during the regional stakeholder process to be conducted in the next several weeks.

Like what ACA has, and is, doing for the improving healthcare overall, California’s DMC-ODS Waiver is intended to do for SUD system of care. With this process comes opportunity to expand the types of services available (what ASAM calls “levels of care”) to clients, and thereby better ensure availability of services that meet the clients level of need rather than simply those that are immediately available or funded based on the clients insurance or referral source.

These are the 7 foundational principles on which Los Angeles County will build the new SUD system of care for youth and adults. These principles will guide all of our planning, implementation and evaluation work done over the coming years. These concepts will be touched on throughout the presentation as we discuss our transformation into a specialty health plan.

See the Vision Description: Transforming the Los Angeles County Substance Use Disorder System of Care for more detail.

SIMILARLY

California’s DMC-ODS Waiver will Expand Access and the Variety of SUD Services Covered, and Prioritize Quality of Care that Meets the Clients’ Level of Need while Improving SUD Outcomes and Overall Health.

Foundational Principles for LAC’s SUD Transformation

1. Treat substance use disorders as a chronic health condition
2. Provide coordinated and integrated care
3. Establish a single benefit package
4. Establish a patient-centered system
5. Maintain partnerships between SAPC and its community-based provider network
6. Educate, empower, and inform people and their communities
7. Establish a continuous improvement process for treatment services
The Transition to a Specialty Health Plan Model

- Establishment of a SUD treatment and recovery continuum of care that integrates all of its revenue streams into a single benefit package. This would mean:
  - All SUD clients will have access to the same services regardless of referral source (e.g., CalWORKs, GR).
  - The DMC-ODS waiver application impacts all SAPC services not just the DMC system as it exists now.
  - DMC becomes the first payer for most treatment clients/services.
  - Type or level of coverage (e.g., DMC, un/under insured) will determine where clients are referred.

Los Angeles County's system will be transforming from a network of largely independent treatment providers to a well-coordinated system of care that functions as a specialty health plan.

One of the first steps in this process is establishing a single benefit package that integrates all revenue streams – Block Grant, DMC, CalWORKs, AB 109 etc. Moving forward, all clients will be eligible for the same services regardless of referral or funding source. In other words, persons receiving services will see themselves as an SUD client and not for example an AB109 or CalWORKs client. It will then be up to the County and providers to ensure funding sources are accurately billed and regulations complied with based on client eligibility.

Therefore, even though this is titled the “DMC-ODS” Waiver, is does not just impact the DMC system as we know it today but rather our entire system. The vast majority of our SUD clients will be Medi-Cal eligible and thus will need to be referred to DMC certified providers when a service is reimbursable by DMC funds. The type or level of coverage (e.g., DMC, un/under insured) will soon determine where a client can be referred.

This change is demonstrated by the graphic shown. We expect that most of our clients will now be DMC eligible, requiring referral to a DMC certified outpatient, intensive outpatient, withdrawal management (formerly detox), residential and opioid (narcotic) treatment provider for services. Providers who do not have a DMC contract will soon only be able to receive referrals for the un- or under-insured or non-US citizens/legal residents as allowed by the funding source. Ideally, contractors will continue to have funding from multiple sources (e.g., DMC, AB109, Block Grant) to allow for the most comprehensive services for SUD clients as DMC funding still will not cover some necessary or required services such as recovery support.

Remember, this change will not be immediate as DHCS still needs to develop certification criteria for some levels of care (e.g., residential and withdrawal management). However, we encourage contract agencies to discuss the feasibility and desirability of applying for DMC certification if you have not already done so. SAPC will continue to provide information on DHCS’ application process as it becomes available.

The Transition to a Specialty Health Plan Model (Cont.)

- Improve collaboration with physical and mental health to ensure care coordination and service integration for clients with SUD and other health conditions. This would mean:
  - Not only ensuring that clients receive appropriate and effective SUD services but also that physical and mental health conditions are well addressed and/or coordinated to support overall improved health.
  - SUD is a key component in the County healthcare system and not simply a separate carved-out service.

Another important component of the transition to a specialty health plan is improved collaboration with physical and mental health services. While it has always been important to ensure that a client’s health and social needs are addressed to improve the likelihood of treatment success, it is now an even more integral component to service delivery. Counselors or case-managers will need to identify when a health, mental health, or other referral needs to be made throughout the treatment episode and follow-through to make sure the client accessed those desired services, or was encouraged to connect if ambivalent.

SUD is an integral part of the “three legged stool” that is healthcare and we need to grow into this new responsibility, our clients and partners in this transition.
The Transition to a Specialty Health Plan Model (Cont.)

- Ensure delivery of services at the appropriate level of care and based on current client needs. This would mean:
  - Placing clients in the ASAM level of care (formerly modality) based on actual and current need, not what is available at that time or location.
  - Transitioning clients from one level of care to another based on progress or need, not a certain duration of service or to meet a standard benchmark.
  - Regularly evaluating the client for placement suitability, and providing case-management and recovery support services.

The timeline is contingent on DHCS and CMS final guidelines and requirements. DHCS’ certification approval process, SAPC solicitation requirements, and input from the stakeholder process. In general, items listed in phase one are required to be implemented in year one of transition.

Perhaps most importantly is ensuring individualized and client centered services. This means that the provider will identify the appropriate level of care, frequency and duration of services that will be individualized for each client. For example, a common practice may be graduation from residential treatment being based on adhering to a 90-day stay, or 2 group session per week for 6-months for outpatient services, now an individual may complete services and transition to recovery support services or to a different level of care based on medical necessity and client need.

The American Society of Addiction Medicine (ASAM) Criteria will now be the guide to determine what level of care is most appropriate based on medical necessity. Qualified staff such as a licensed practitioners of the healing arts (LPHA) or certified counselors will need to regularly evaluate (not to be understood as a full clinical assessment) whether the current placement is most appropriate. Case-management and recovery support services will also be integral components throughout the treatment process.

Once the Board of Supervisors, DHCS and CMS approves Los Angeles County’s DMC-ODS implementation plan, the expansion will be phased in over the next three years. The pilot project period is a total of five years and may be extended based on demonstrated outcomes.

The timeline is contingent on DHCS and CMS final guidelines and requirements, DHCS’ certification approval process, SAPC solicitation requirements, and input from the stakeholder process. In general, items listed in phase one are required to be implemented in year one of the waiver.

The next two slides outline in more detail what levels of care will be funded by DMC. These are also included as handouts.

The white shaded levels of care is what will be expanded or become available under the adult service system. This includes various ASAM levels for outpatient, residential, withdrawal management (formerly detox), and opioid (narcotic) treatment programs. These services will soon be funded by DMC for Medi-Cal eligible beneficiaries.

White – Funded under DMC for eligible beneficiaries

Gray – Per DHCS, funded under another component of the system
The white shaded levels of care is what will be expanded or become available under the adolescent service system. This includes outpatient, intensive outpatient, low intensity residential, and high intensity residential. These services will soon be funded by DMC for Medi-Cal eligible beneficiaries. EPSDT (Early and Periodic Screening, Diagnosis and Treatment) will also play a role in the adolescent system of care but this will be further developed over time.

White – Funded under DMC for eligible beneficiaries
Gray – Per DHCS, funded under another component of the system
Black – Not an ASAM level for adolescents thus not a part of DMC-ODS

For comparison, this table demonstrates what is currently funded by DMC and what is expected to be funded by DMC upon implementation of the DMC-ODS for participating Counties.

Eligibility has been significantly expanded for single adults, especially males.

Both the levels of care and the services are more robust and comprehensive. Until final guidelines and financing information is provided by DHCS and CMS, however, it is still unclear how certain mandated services such as recovery support will be reimbursed.

As indicated in the preceding slides, the system will be quickly expanding in the next one to two years. With this transformation, there are additional system and workforce capacity building efforts that need to occur concurrently. SAPC is committed to collaborating with its network partners to make the transition to a specialty health plan successful.

System Capacity Building – First, the system itself needs to expand - both in levels of care for youth and adults and also the locations where services are provided. Mechanisms need to be developed to ensure clients can move successful between the levels of care - both within a provider agency and across provider agencies. Care coordination with physical and mental health services needs to be effective, efficient, and consistent to ensure all the clients needs are well addressed.

Infrastructure Capacity Building – All providers need to implement an electronic health record, and the County is working to assist in this for agencies who do not already have a system in place. SAPC’s billing system needs to be enhanced to manage and effectively utilize multiple funding sources. The County’s Quality Assurance (QA) and Utilization Management (UM) program needs to be fully implemented, and contractor sites will need to ensure similar protocols within their programs.
Transformation Components of the SUD Redesign

- **Workforce Development**
  - Patient centered treatment services approach
  - Determination of medical necessity/ASAM placement
  - Evidence based practices
  - Cultural and linguistic competence
  - Cross-system care coordination with mental health and primary care

- **Financing**
  - Financing a full continuum of services centered on DMC and supported by all other revenue streams

Designing and Implementing the Transformation

Each of these Transformational Components will require extensive planning, development and community collaboration for effective yet timely implementation. While the anticipated launch date is July 2016, full transformation will be phased in over the next several years.

The stakeholder process taking place between now and October to specifically review the DMC-ods implementation plan/application is the first of many stakeholder/workgroup processes planned as part of this process.

Workforce Development – Training and capacity building for our direct service staff and managers on these core topics is essential for effective implementation of this client centered and need based system. SAPC has begun training efforts on topics such as the ASAM criteria and Motivational Interviewing, and more will be done throughout the coming years. Given the size of our workforce, however, an emphasis will also need to be on train-the-trainer programs and provider funded trainings for staff.

Financing – The primary foundational principle of the Waiver is that through the expansion of the levels of care, a focus on evidence-based and client centered services, effective quality assurance and utilization management efforts, and with consideration to savings in other systems that this effort will be budget neutral statewide. It is the addition of these system improvements, however, that contributes to County abilities to negotiate rates, therefore, SAPC intends to propose DMC rates above current DMC levels and in closer alignment with our Rate Study. Some financial questions still need to be answered, but given the future direction of the health care system, and a desire to provide the most comprehensive and effective services for SUD clients, DPH is moving ahead with the planning process, and will continue to engage stakeholders in this process as we move forward.
Stakeholder Feedback Process

The remainder of the meeting will focus on obtaining feedback on SAPC’s Implementation Plan for the Drug Medi-Cal Organized Delivery System Waiver.

The “lines” included in the slides below will direct you to the appropriate section of this document.

Stakeholder Feedback: Beneficiary Access Line

- Beneficiary Access Line
- Lines 124-156
- Excerpt: The County will operate a toll-free access line available 24 hours, 7 days a week and staffed weekdays 8 a.m. to 6 p.m. Staff will conduct screening interviews, make a provisional determination of LOC... use on automated system to schedule admission appointments. Information will be collected for continuous quality assurance purposes.

- What should be added or clarified to improve how clients access services using the beneficiary access line?
- Are there any potential client or provider-level barriers or challenges to implementing the beneficiary access line?

Stakeholder Feedback: Adult Benefit Package

- Adult Benefit Package
- Lines 128-178,192-206,224-233, AAM 1
- Excerpt: At minimum, the initial benefit package for adults: Outpatient (ASAM 3.1), Intensive Outpatient Services (ASAM 2.1), Residential Treatment (ASAM 3.1, 3.3, 3.5), Withdrawal Management (ASAM 1- WM, 3.2-WM), Medication-Assisted Treatment (ASAM OTP) and recovery support...services not included in the initial benefit packages will be phased in [according to the timeline].
- New services: case-management and recovery support

- What should be added or clarified to improve the initial (year one) benefit package for adults?
- Are there any provider-level barriers to implementing or expanding the initial (year one) benefit package for adults?
Stakeholder Feedback: Adolescent Benefit Package

- Adolescent Benefit Package
- Excerpt: At minimum, the following services will comprise the initial benefit package for adolescents: Outpatient (ASAM 1), Intensive Outpatient Services (ASAM 2.1), Residential Treatment (ASAM 3.1, 3.5), and recovery support...services not included in the initial benefit packages will be phased in according to the timeline.
- New services: case-management and recovery support

- What should be added or clarified to improve the initial (year one) benefit package for adolescents?
- Are there any provider-level barriers to implementing or expanding the initial (year one) benefit package for adolescents?

Stakeholder Feedback: Residential Authorization

- Residential Prior Authorization
- Lines 699-716
- Excerpt: The County will establish written policies and procedures describing required authorization for initial admission to DMC residential services...and for processing requests for continuing authorization of DMC residential services.

- What should be added or clarified to improve the prior authorization process?
- Are there any potential provider-level barriers to exploring this service option with clients and making referrals when needed?

Stakeholder Feedback: Assessment & Medical Necessity

- Access to Services
- Lines 654-629
- Excerpt: Beneficiaries will first be screened by the Access Line to establish the provisional level of care and to initiate referral when indicated...SUD treatment provider will be required to have appropriate staff for determining medical necessity, and will be trained on and required to use the ASAM criteria for placement decisions, continued service, and transfer/discharge.

- What should be added or clarified to improve the assessment process?
- Are there any potential provider-level barriers or challenges to implementing the assessment process, including determining medical necessity and using the ASAM criteria?
**Stakeholder Feedback: Access to Services**

- **Access to Services**
  - Lines 329-413
  - Excerpt: The greatest concern is the speed with which the system is able to process new SAMHCA certifications, particularly for residential services. Initial services will be offered at least six days a week during regular business hours and on at least two weekends. Services in Spanish will be offered by a network provider. Services to non-Spanish speaking patients may be offered by specific programs that service specific cultural populations. For appointments scheduled as soon as possible and no longer than 72 hours from initial request, specific criteria for outpatient services should be within one hour travel time by personal or public transportation.

**Stakeholder Discussion**

What is your capability and willingness to do the following:
- Operate outpatient services six days per week and at least two evenings
- Expand residential treatment beds
- Provide services in Spanish
- Provide other culturally and linguistically appropriate services
- Conduct assessment within 72 hours of referral
- Provide telehealth services

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**Stakeholder Feedback: Quality Assurance**

- **Quality Assurance/Utilization Mgmt.**
  - Lines 445-604
  - Excerpt: The Quality Assurance (QA) program will: (1) establish an infrastructure for quality-focused services through the formation of a number of committees that focus on specific aspects of the organizational delivery system of SUD services and (2) adopt standards in areas, including medical necessity criteria, clinical practice (including medication-assisted treatment), and level of care guidelines founded on criteria established by an...the Utilization Management (UM) program will assess how the DPH-SAPC provider network is delivering services and how it is utilizing resources for eligible beneficiaries.

**Stakeholder Discussion**

- What should be added or clarified to improve DPH-SAPC’s QA/UM programs?
- Are there any potential provider-level barriers or challenges to implementing a similar QA/UM plan SUD services?

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**Stakeholder Feedback: Other Topics**

- **Client Flow**
  - Lines 54-122
- **Coordination with Mental Health**
  - Lines 242-260
- **Coordination with Physical Health**
  - Lines 262-301
- **Coordination Assistance**
  - Lines 303-327
- **Training Provided**
  - Lines 413-436
- **County Technical Assistance**
  - Lines 438-443
- **Evidence-Based Practices**
  - Lines 606-612
- **Regional Model**
  - Lines 631-634
- **Memorandum of Understanding**
  - Lines 636-642
- **Telehealth Services**
  - Lines 644-654
- **Contracting**
  - Lines 656-688
- **Appeals Process**
  - Lines 674-679
- **Additional Medication Assisted Treatment**
  - Lines 690-697
Recommendations on the Implementation Plan/Application

To provide written feedback on LAC’s DMC-ODS Implementation Plan, please go to the DMC-ODS Application Online Feedback Questionnaire tab at the following links:

https://www.surveymonkey.com/r/5MX5G8N

or

http://publichealth.lacounty.gov/sapc/HealthCare/HealthCareReform.htm

Remember, while some of the DMC-ODS terms and conditions are non-negotiable, please still include recommendations on how requirements can best be implemented, or to better understand local or provider level challenges. Your feedback will greatly contribute to LAC’s success in expanding and improving SUD services.

If you are unable to attend any of the stakeholder meetings, or do not have internet access, please contact Julia Sandoval at (626) 299-3540 for further assistance on how to participate in this feedback process.

Regional Stakeholder Meeting Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 18, 2015</td>
<td>2:00 P.M. - 4:00 P.M.</td>
<td>11833 South Wilmington Avenue, Los Angeles, CA 90059</td>
</tr>
<tr>
<td>August 24, 2015</td>
<td>10:00 A.M. - 12:00 P.M.</td>
<td>La Mirada Regional Medical Center, Conference Room 11101, 11601 South Crenshaw Boulevard, Gardena, CA 90249</td>
</tr>
<tr>
<td>August 31, 2015</td>
<td>10:00 A.M. - 12:00 P.M.</td>
<td>Phoenix House of Los Angeles, Day Room 11800 North Figueroa Street, Los Angeles, CA 90039</td>
</tr>
<tr>
<td>September 1, 2015</td>
<td>2:00 P.M. - 4:00 P.M.</td>
<td>Burton W. Dean Park, Community Room 815 South Santa Anita Avenue, Arcadia, CA 91007</td>
</tr>
<tr>
<td>September 4, 2015</td>
<td>10:00 A.M. - 12:00 P.M.</td>
<td>1301 South Olive Street, Santa Ana, CA 92701</td>
</tr>
<tr>
<td>September 9, 2015</td>
<td>2:00 P.M. - 4:00 P.M.</td>
<td>1301 South Olive Street, Santa Ana, CA 92701</td>
</tr>
<tr>
<td>September 15, 2015</td>
<td>2:00 P.M. - 4:00 P.M.</td>
<td>1301 South Olive Street, Santa Ana, CA 92701</td>
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DMCCertificationInformation

Visit DHCS' website for more information on how to become a DMC certified provider. Please note, however, because the Waiver has not received final approval from the federal Centers for Medicare and Medicaid (CMS), new levels of care are not listed at this time.

http://www.dhcs.ca.gov/services/adp/Pages/Drug_Medical.aspx

AdditionalResources

• SAPC Website: Provider Information, HCR/DMC-ODS
  http://publichealth.lacounty.gov/sapc/HealthCare/HealthCareReform.htm

• UCLA-SAPC Lecture Series
  http://publichealth.lacounty.gov/sapc/media/lectureseries.htm

• ASAM Criteria
  http://www.asam.org/publications/the-asam-criteria

Thank you for attending this Regional DMC-ODS Stakeholder meeting. Your feedback is instrumental in shaping how Los Angeles County transforms its youth and adult SUD system of care!

SAPC will continue stakeholder meetings and workgroups throughout the DMC-ODS implementation process, and we look forward to continuing to collaborate in the future.