



CalAIM Updates and Payment Reform

Michelle Gibson
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Division of Substance Abuse Prevention and Control
Los Angeles County Department of Public Health





DHCS Updates and Pending Issues

- **Residential Bundled Rates Update**
 - Care Coordination
 - Recovery Services
 - Medication Services/Medication for Addiction Treatment (MAT)
- **Mobile Crisis Benefit**
- **Licensed Vocational Nurse (LVN), Medical Assistant (MA), Psych Tech Issue**
- **Naloxone Rate**

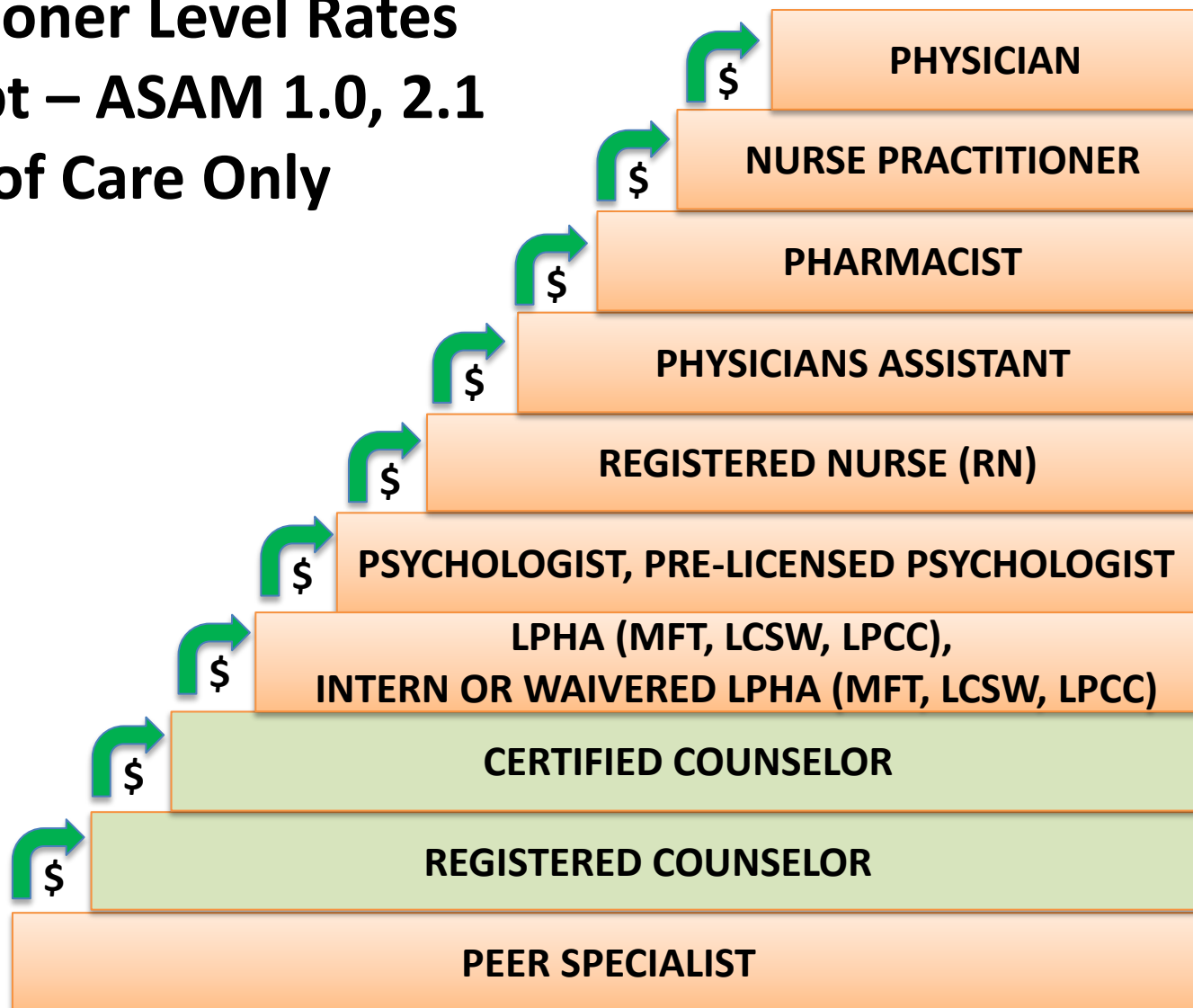
Moving to Tiered Reimbursement Model for Most Levels of Care

- **What levels of care have tiered rates?**
 - Tiered: Outpatient, Intensive Outpatient, Outpatient Withdrawal Management, Residential
 - Non-Tiered: Inpatient Withdrawal Management, Opioid Treatment Programs, Recovery Bridge Housing
- **What were the criteria for Tier 1, 2, and 3?**
 - Tier 1: 1-2 levels of care (accreditation counts as 1 level if applicable) **55% of agencies**
 - Tier 2: 3-5 levels of care (accreditation counts as 1 level if applicable) **31% of agencies**
 - Tier 3: 6+ levels of care (accreditation counts as 1 level if applicable) **14% of agencies**
- **Can treatment contractors move between tiers?**
 - Movement between tiers will only occur in advance of each fiscal year the model is continued. Providers in Tier 2 or Tier 3 will be required to complete SAPC's Fiscal Reporting Tool to continue in their assigned tier or to move between tiers. New levels of care will be required to move up tiers.
- **Will population (youth, perinatal) modifiers continue?**
 - No as it is expected that the tiered model will advantage most of the impacted providers.

Practitioner Level Rates

Concept – ASAM 1.0, 2.1

Levels of Care Only



The rate paid for outpatient and intensive outpatient services (by CPT or HCPCS) will increase with the experience level of the practitioner documenting and delivering the direct service.

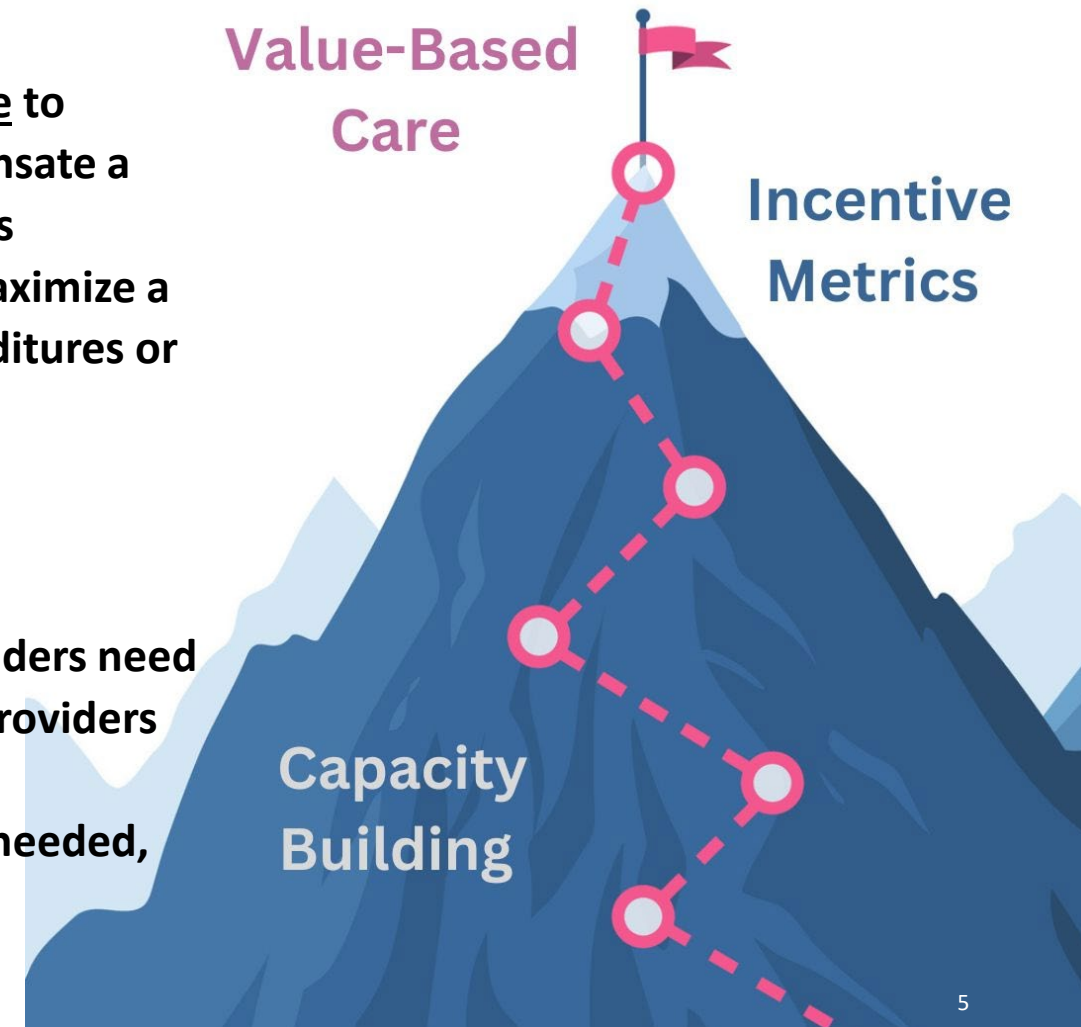
Financial Investments to Prepare for Value-Based Care

What is capacity building?

Funds that DPH-SAPC pays a treatment provider either in advance to ensure start-up funds to do something or after the fact to compensate a treatment provider for completing something. Capacity building is designed to help prepare providers to meet select metrics and maximize a supplemental incentive payment. Providers need to verify expenditures or submit a deliverable for full payment.

What are incentives?

Funds that DPH-SAPC pays a treatment provider after achieving a performance metric associated with the incentive payment. Providers need to verify completion and submit relevant data for full payment. Providers keep all funds if the metric is met and do not submit expenditure verification. The funds can be used to reinvest in the program as needed, including to support activities associated with the metric.



FY 2023-2024 – Capacity Building Investment

- **Capacity Building Categories**
 - Workforce Development (recruitment, retention, & training)
 - Additional Revenue Potential with Incentives
 - Access to Care (Reaching the 95%)
 - Additional Revenue Potential with Incentives
 - Fiscal and Operational Efficiency
- **Maximum SAPC Investment in Capacity Building if 100% Participation**
 - \$23,430,500
- **Minimum Range of Agency Revenue**
 - Tier 1 Agencies: \$179,000
 - Tier 2 Agencies: \$261,000
 - Tier 3 Agencies: \$343,000

FY 2023-2024 – Incentive Investment

- **Incentive Categories**
 - Workforce Development (recruitment, retention, & training)
 - Additional Revenue Potential with Capacity Building
 - Access to Care (Reaching the 95%)
 - Additional Revenue Potential with Capacity Building s
 - Medications for Addiction Treatment (MAT)
 - Care Coordination
 - Data Reporting
- **Maximum SAPC Investment in Incentives if 100% Participation**
 - \$27,000,000
- **Range of Agency Revenue**
 - Tier 1 Agencies: \$240,000
 - Tier 2 Agencies: \$360,000
 - Tier 3 Agencies: \$480,000

Recommended Action Steps for Providers:

- Understand your costs/overhead and service volume
- Understand the practitioner level(s) delivering direct services and determine if practitioner specific rates (which will increase with staff qualifications) is an opportunity to reevaluate hiring practices
- Understand that if there is a gap between your costs and revenue based on rates, how investments could be made to improve services and prepare for value-based care
- Participate in monthly SAPC Payment Reform meetings and provide verbal and written feedback during the discussion segments
- Participate in CIBHS trainings or request technical assistance to address any fiscal and payment reform related needs and growth by emailing Amy AMcilvaine@cibhs.org and Chris Botten cbotten@cibhs.org and coping SAPC (SUDTransformation@ph.lacounty.gov) to request technical assistance and reviewing past and participating in upcoming trainings (<http://publichealth.lacounty.gov/sapc/providers/trainings.htm>)



FOR MORE INFORMATION ON PAYMENT REFORM

- **March 29, 2023 Payment Reform Meeting**
 - [Presentation](#)
 - [Video Recording](#)
- **April 26, 2023 Payment Reform Meeting**
 - [Presentation](#)
 - Video Recording (Pending)
 - [Capacity Building Document](#)
 - [Incentives Document](#)

To find more information on presented at SAPC meetings, including CalAIM Prep, visit:
<http://publichealth.lacounty.gov/sapc/providers/treatment-provider-meetings.htm>