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December 17, 2014

SAPC BULLETIN #14-03

TO: All Substance Abuse Prevention and Control (SAPC) Contracted Providers
FROM: Wesley L. Ford, M.A., M.P.H., Director *WLF*
SUBJECT: **MANDATORY DRUG/MEDI-CAL BILLING**

The purpose of this bulletin is to provide you with instructions on Drug/Medi-Cal (DMC) billing changes.

PROVIDERS WITH DMC CONTRACTS:

As you know, your SAPC contract requires that all participants receiving treatment services must be financially screened to identify other payer sources (e.g., Medi-Cal, private insurance, or other third party payer). With the passage of the Affordable Care Act (ACA) and approval of the State Plan Amendment (SPA), participants who were not previously eligible may now receive Medi-Cal benefits. Therefore, effective January 1, 2015, it is critical that your staff appropriately screen all clients to determine Medi-Cal eligibility and bill **Medi-Cal as the payer of first resort** for all eligible services to maximize our available Substance Use Disorder (SUD) treatment funding. If client services are not reimbursable under Medi-Cal, you are then required to bill the other funding sources identified in your contract (e.g., AB109, General Relief, CalWorks). The SAPT Block Grant funds will be used as the funds of last resort. We will continue to refine our automated billing system to ensure funding is maximized and services are provided in accordance with these billing regulations. Please see the Participant Eligibility provision within your SAPC agreement for more information on this requirement.

PROVIDERS WITHOUT DMC CONTRACTS:

We strongly encourage all of our contracted providers who are not already certified to apply for State DMC certification as soon as possible. Los Angeles County is considering whether to opt into the DMC 1115 Waiver, and if that occurs, all SAPC contracted providers will be required to have DMC certification. The State's DMC certification process can be lengthy, so it is important to begin the certification application process immediately as contracted providers without appropriate DMC certification may experience disruption to their SAPC contract should Los Angeles County opt into the DMC 1115 Waiver.

If you have questions about the DMC certification process, please visit SAPC's website at: <http://publichealth.lacounty.gov/sapc/funding/DMC/DMCApplication.htm> and/or the State's website at: http://www.dhcs.ca.gov/services/adp/Pages/Drug_MediCal.aspx.

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