



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



EDMUND G. BROWN JR.
GOVERNOR

DATE: September 20, 2017

MHSUDS INFORMATION NOTICE NO.: 17-047

TO: COUNTY BEHAVIORAL HEALTH DIRECTORS
COUNTY DRUG & ALCOHOL ADMINISTRATORS
COUNTY BEHAVIORAL HEALTH DIRECTORS ASSOCIATION OF CALIFORNIA
CALIFORNIA COUNCIL OF COMMUNITY BEHAVIORAL HEALTH AGENCIES
COALITION OF ALCOHOL AND DRUG ASSOCIATIONS
CALIFORNIA ASSOCIATION OF ALCOHOL & DRUG PROGRAM EXECUTIVES, INC.
CALIFORNIA ALLIANCE OF CHILD AND FAMILY SERVICES
CALIFORNIA OPIOID MAINTENANCE PROVIDERS

SUBJECT: Substance Abuse Prevention and Treatment Block Grant Coverage for Gaps in Drug Medi-Cal and Drug Medi-Cal Organized Delivery System Waiver Substance Use Disorder Services

PURPOSE

The purpose of this Information Notice is to provide guidance to the counties regarding recent clarification from the Substance Abuse and Mental Health Services Administration (SAMHSA) on the utilization of Substance Abuse Prevention and Treatment Block Grant (SABG) funds to cover the cost of perinatal residential services and for gaps in coverage in Medicaid/Medicare services under the conditions referenced below. This guidance applies to both regular Drug Medi-Cal (DMC) State Plan and Drug Medi-Cal Organized Delivery System (DMC-ODS) counties.

BACKGROUND

Condition 1:

Medicaid/Medicare eligible beneficiaries currently receiving perinatal residential treatment services that also require Narcotic Treatment Program (NTP) services.

- Per the *Code of California Regulations (CCR) Title 2, Section §51341.1(j)*, only one provider can be reimbursed through Medicaid/Medicare on a calendar day.

- Because the NTP bills first on a specific calendar day, the perinatal residential treatment program cannot be reimbursed through Medicaid/Medicare for services rendered.

Condition 2:

When a Medicaid/Medicare eligible beneficiary presents for treatment to a DMC-ODS county access line or a DMC-ODS contracted facility and:

- Is a new applicant for benefits, or;
- Has moved from another county to a DMC-ODS county and needs to transfer eligibility to the DMC-ODS County;

The beneficiary will not be eligible for DMC-ODS services until the coverage is authorized for the DMC-ODS County.

DISCUSSION

For the situation referenced in Condition 1, SAMHSA has provided guidance indicating the utilization of SABG funds for substance use disorder (SUD) treatment and recovery services in programs for pregnant women and women with dependent children is allowable even though the beneficiary is Medicaid/Medicare eligible.

For the situation referenced in Condition 2, SAMHSA has also provided guidance indicating the utilization of SABG funds can be used to cover the gap in SUD services while the beneficiaries' coverage is pending authorization with the DMC-ODS County.

QUESTIONS

Please address all questions regarding this Information Notice to Marco Zolow, Health Program Specialist, SUD Program, Policy and Fiscal Division at marco.zolow@dhcs.ca.gov.

Sincerely,

Original signed by

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