



Drug Medi-Cal Organized Delivery System Waiver

DMC Organized Delivery System Waiver

Agenda

- Structure of the Waiver
- County versus State responsibilities
- Financing of the Waiver
- Next Steps

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- The goal is to improve the quality and availability of SUD services for California's beneficiaries.
- The Waiver will give state and county officials more authority to select quality providers.
- The Waiver will be consumer-focused; use evidence based practices and improve program quality outcomes.
- The waiver will support coordination and integration across systems.

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- A goal is more appropriate use of health care, such as reduced emergency rooms and hospital inpatient visits.
- The waiver will ensure access to SUD services while also increasing program oversight and integrity at the county and state level.
- The waiver will provide availability of all SUD services including residential services without the restrictions of the IMD exclusion.

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Key Elements in the Waiver:

- Counties Opt In
- Continuum of Care
- Residential Services
- The ASAM Criteria
- Utilization Controls
- Selective Provider Contracting
- Recovery Services
- Expanding Medication Assisted Treatment

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- Quality Assurance Activities
- Telehealth
- Case Management
- Licensed Practitioners of the Healing Arts
- Interface with Primary Care and Health Plans
- Evidence Based Practices
- Intersection with the Criminal Justice System

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Residential Services

- Currently restricted due to the IMD exclusion.
- 90% of CA’s residential bed capacity is considered an IMD.
- CMS is allowing a few states to pilot residential services without a bed limit.
- CA needs the waiver to provide residential services.

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DMC Services With and Without Waiver

DMC Services	SPA 13-038 (Non-Waiver)	Opt-In Waiver
Outpatient/Intensive Outpatient	X	X
NTP	X	X
Additional MAT		X*
Residential		X (one level)
Withdrawal Management		X (one level)
Recovery Services		X
Case Management		X
Recovery Residence		X (optional)
Physician Consultation		X (optional)

*Counties opting into the Waiver will be required to provide NTP and/or other MAT services.

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Prop 30

- Counties choose to participate in the Waiver
- Currently, no foreseen Prop 30 issues

Criminal Justice Population

- ACA increased MediCal access for adult childless males which significantly impacts the criminal justice population.

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Realignment

- Counties receive realignment funds derived from sales tax revenues deposited into their BH Subaccount to pay for a portion of DMC treatment services.
- Federal Financial Participation (FFP) would be available for waiver counties, including residential services.

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Proposed Shared Financing Model

- Counties would be given a per user per month cost for all SUD services and a projected number of monthly users.
- The counties would need to stay within this aggregate amount.
- The state and county would develop a base sharing percentage of the aggregate amount that is the state share and county share.

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- Counties would negotiate provider rates by modality.
- Proposed rates would show in the aggregate that the county will stay in the budgeted amount.
- The state would have final approval of the rates.
- If the state rejects the rates, the county could resubmit revised rates.
- The county always has the option not to participate in the waiver.

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- If overall waiver costs for each county prove to be too high or too low, the state and county pay/save based on the same base sharing percentage.
- Counties can use federal SAPT, AB 109 or other county funds to cover any county costs, if needed.

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Next Steps

- DHCS is working with a subset of four counties to run county specific fiscal drills of the proposed shared financing model.
- Agree in principle to the concept with CSAC.
- Review the financing model in further detail with stakeholders the first week in November.

