



# County of San Diego

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ALFREDO AGUIRRE  
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October 24, 2017

TO: Behavioral Health Services  
Substance Use Disorder Providers

FROM: Alfredo Aguirre, Director  
Behavioral Health Services

## PREPARING FOR CONTRACTING UNDER THE DRUG MEDI-CAL ORGANIZED DELIVERY SYSTEM

I am pleased to inform you that the County's Implementation Plan to opt into California's Medi-Cal 2020 1115(a) Waiver Demonstration Project has been approved by the State of California Department of Health Care Services (DHCS).

For many clients with substance use disorder (SUD), Drug Medi-Cal (DMC) will become the primary payer for most SUD treatment services effective July 1, 2018. This applies to all contracted levels of care serving Medi-Cal eligible clients. Behavioral Health Services (BHS) anticipates that a majority of the current SUD providers are planning to continue to contract with BHS for services included in the organized delivery system (ODS), and SUD providers have begun to address the following priorities in preparation for this extensive system transformation:

- Obtain DMC Certification by July 1, 2018 for each contracted level of care and agency operated site, which includes the following examples of actions that may be required for your program:
  - Secure a Medical Director
  - Evaluate staffing structure and ability to hire other qualified clinicians such as Licensed Clinical Social Workers (LCSW), LCSW Interns, Marriage and Family Therapists (MFT), and MFT interns
  - Prepare counseling/clinical staff on the American Society of Addiction Medicine (ASAM) Criteria, including levels of care and medical necessity determinations
  - Enhance and/or develop quality improvement and utilization management practices
  - Evaluate the feasibility of partnerships and networks with other SUD and non-SUD providers to share/improve administrative operations and functions (e.g., medical director, quality improvement and utilization management activities, data collection, and evaluation)
  - Assess equipment needs to allow the enhanced use of SanWITS and other electronic information (e.g., computers, software, etc.)
  - Conduct capital/tenant improvement assessments to ensure full utilization of all facilities and support delivery of effective clinical services
  - Develop strategic and development plans to increase operational capacity
  - Attend DMC-ODS related events/meetings/trainings by staff as appropriate

As previously discussed at various meetings, providers are strongly encouraged to submit completed DMC Certification applications to DHCS as soon as reasonable to meet the planned implementation timeline of July 1, 2018. Any provider who may not be interested, or unable to meet the timeline, or meet the new requirements of the organized delivery system (ODS), should notify their assigned Contracting Officer's Representative (COR) so BHS staff can offer technical assistance on possible options, to address accordingly.

For more information on the BHS DMC-ODS submitted implementation plan, please visit the BHS Technical Resource Library (TRL):  
[http://www.sandiegocounty.gov/hhsa/programs/bhs/technical\\_resource\\_library.html](http://www.sandiegocounty.gov/hhsa/programs/bhs/technical_resource_library.html)

For information on DMC certification, please visit the DHCS website at:  
[http://www.dhcs.ca.gov/services/adp/Pages/Drug\\_MediCal.aspx](http://www.dhcs.ca.gov/services/adp/Pages/Drug_MediCal.aspx)

For information on DHCS Special Terms and Conditions, please visit the DMC-ODS website at:  
<http://www.dhcs.ca.gov/provgovpart/Pages/Drug-Medi-Cal-Organized-Delivery-System.aspx>

If you have any questions or require additional information, please contact your COR.

Sincerely,



ALFREDO AGUIRRE, Director  
Behavioral Health Services

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- c: Jack Pellegrino, Director, Purchasing and Contracting
- Patty Kay Danon, Director, HHS Agency Contract Support
- Rochelle Lowe, Chief, Departmental Operations, Purchasing and Contracting
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