



# Q&A on CalAIM Payment Reform

## Behavioral Health Services

### A. RATES & CONTRACTED PROVIDER REIMBURSEMENTS

**1. Which programs or contracts will be impacted by payment reform? How and when will payment reform changes become effective?**

**BHS:** All programs that generate Medi-Cal revenue, referred to as Federal Financial Participation (FFP), will be impacted by payment reform. Behavioral Health Payment reform goes into effect on July 1, 2023, and County Behavioral Health Services (BHS) will be implementing the new rates outlined within payment reform through contract amendments in phases beginning in Fiscal Year 2023-24.

**2. Will San Diego be implementing payment reform on July 1, 2023? If yes, when will the county be sharing the rates? If no, how will the county be reimbursing moving forward on July 1?**

**BHS:** County BHS is analyzing data and developing rates to ensure methodology is equitable across the various levels of care. Information will be shared with providers as it becomes available and finalized.

**3. Will the budget template change under payment reform, and if so by when will it change?**

**BHS:** We anticipate that the budget template will be streamlined under payment reform, which will be updated through contract amendments.

**4. Do providers still need to report on productivity under payment reform?**

**BHS:** Productivity is expected to be managed at the program/contractor level.

**5. How do providers prioritize spending under payment reform?**

**BHS:** Providers should align spending with revenue projections.

**6. Will BH payment reform have an impact on MHSA-funded programs, and if so, how? How will MHSA funds be accounted for in the new contracts?**

**BHS:** MHSA is leveraged in various ways, including as a match for programs that drawdown FFP revenue. Programs that receive Medi-Cal and MHSA funding will be impacted by Behavioral Health Payment Reform.

**7. Will risk sharing be considered in the new contracts limiting potential losses in the first year or two?**

**BHS:** We anticipate that the development of the sound rate methodology will help ensure that providers are successful. Additionally, we will continue communication with providers regarding challenges they are experiencing to support them in being successful; however, the State has indicated that providers will likely need to adjust aspects of service delivery and operations to ensure they are able to maximize billing.

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- 8. I attended a county CalAIM Zoom/Teams meeting on 4/21/23, but I have not been aware of other calls. I had a hard time finding access to any meeting recordings/slides for more recent dates on the county website. Please advise if these are available anywhere.**

**BHS:** Please refer to [CalAIM for BHS Providers](#) webpage which includes local and state information.

- 9. Will there be any changes for program integrity tasks such as billing reviews or auditing?**

**BHS:** Program integrity tasks are expected to continue in some form; however, they may adjust based on State direction. More information will be provided once available.

- 10. Will the County provide "hold harmless" agreements through the initial transitional term, as long as providers are meeting all other terms of their contract SOW?**

**BHS:** We anticipate that the development of the sound rate methodology will help ensure that providers are successful. Additionally, we will continue communication with providers regarding challenges they are experiencing to support them in being successful; however, the State has indicated that providers will likely need to adjust aspects of service delivery and operations to ensure they are able to maximize billing.

- 11. When will we get information on the CalAIM Behavioral Health Payment Reform cost sheet? When can we anticipate the changes?**

**BHS:** County BHS is analyzing data and developing rates to ensure methodology is equitable across the various levels of care. BH Payment reform went into effect on July 1, 2023, and BHS will be implementing the new rates outlined within payment reform through contract amendments in phases beginning in Fiscal Year 2023-24. Information will be shared with providers as it becomes available and finalized.

- 12. Are rates expected to be set per contractor or per service line? Will rates be set for specific types of lines of services?**

**BHS:** Outpatient rates are set by provider discipline, with modifiers being considered for specific program types. BH Payment Reform went into effect on July 1, 2023, and BHS will be implementing the new rates outlined within payment reform through contract amendments in phases beginning in Fiscal Year 2023-24. Information will be shared with providers as it becomes available and finalized.

- 13. Will the County be transparent with the State Maximum Rate and their County Rate to the providers?**

**BHS:** Please refer to [BHIN 23-017](#) for the State's rates for counties. Behavioral Health Payment Reform went into effect on July 1, 2023, and BHS will be implementing the new rates outlined within payment reform through contract amendments in phases beginning in Fiscal Year 2023-24. Information will be shared with providers as it becomes available and finalized.

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**14. Will there be flexibility for different rates based on contract needs?**

**BHS:** Yes, modifiers are being considered for specific service types.

**15. Will rates be inclusive of administrative costs for non-billable administrative requirements for contracts?**

**BHS:** Yes, rates will be inclusive of administrative costs.

## **B. CPT CODES / EHR**

**1. Will Cerner Millennium be the required EHR for Mental health Medi-Cal service documentation with no cost to contractors?**

**BHS:** There is no cost to use the County's Electronic Health Record (EHR). BHS will continue to allow clinical documentation in other EHRs, while requiring data points for DHCS specific reporting and billing purposes in the County EHR, until future work toward interoperability is completed.

**2. What is the plan for interoperability for contractors to use their own EHR?**

**BHS:** BHS will continue to allow clinical documentation in other EHRs, while requiring data points for DHCS specific reporting and billing purposes in the County EHR, until work towards interoperability is completed.

**3. Will providers be required to bill the State directly for claims, including scrubbing and resubmission of denied claims? If so, has the creation and cost of sophisticated claims departments been considered in the rate structure?**

**BHS:** There will be no change to current billing processes. Providers are to continue data entry of claims through the CCBH and/or SanWITS. The County will continue to send Medi-Cal claims to the State. Providers who bill other insurances will continue to do so as is the current process.

**4. Will the County allow contractors to claim expenses associated with an EHR if contractors choose to use something other than the SanWITS systems?**

**BHS:** Under Rate-Based Contracts, Legal Entities are able to use funds provided on any expenses that support their provision of contracted services.

**5. We understand that billable services will not include documentation or travel time in the reimbursement, but will Cerner Millennium account capture it, and Optum report it for our QSRs?**

**BHS:** The rates developed for face-to-face services were calculated using costs related to documentation and travel time. The County is requesting providers continue to enter travel and documentation time separately, so data can continuously be used for rate methodology calculations in the future. TUOS reports are being re-programmed to include separate lines for travel and documentation time for tracking purposes.

**6. The service model is based on 60% productivity which includes non-billable codes, documentation, and travel time. Will there be budget and contract edits to respond to this system change?**

**BHS:** Requirements will be revised to align with Rate-Based Contracts when they are executed.

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**7. What are the Cerner service code conversion to CPT codes, and when will they be available to providers?**

**BHS:** Please refer to these links:

- [2023-05-20-BHS Provider Memo-Payment Reform CPT for SMHS and CPT Crosswalk Excel Book for SMHS version 6.20.23](#)
- [2023-05-15 Payment Reform CPT for DMC-ODS and CPT Crosswalk Excel Book for DMC-ODS version 5.15.23](#)

**8. We are looking for guidance on how the county will be implementing coding changes. Does San Diego have a code set that can be shared, that includes how the county will be using all of the add-on codes and modifiers? Is there a timeline for when the county may be moving to these codes?**

**BHS:** Please refer to these links:

- [2023-05-20-BHS Provider Memo-Payment Reform CPT for SMHS and CPT Crosswalk Excel Book for SMHS version 6.20.23](#)
- [2023-05-15 Payment Reform CPT for DMC-ODS and CPT Crosswalk Excel Book for DMC-ODS version 5.15.23](#)

**9. Will there be any changes in County expectations for collateral contacts required by contract?**

**BHS:** Requirements will be revised to align with Rate-Based Contracts when they are executed.

**10. Will all staff have the ability to bill for reviewing charts prior to a client not showing their appt?**

**BHS:** DHCS policy states that only direct patient care should be counted toward selection of time. Direct patient care does not include travel time, administrative activities, chart review, documentation, utilization review and quality assurance activities or other activities a provider engages in either before or after a patient visit; however, established rates were developed to incorporate non-billable activities.

**11. Questions on specific CPT Codes:**

**A. Code 5 for screening for full and part-time walk-in services: This service is in our SOW and built into the budget, but it seems like there is not a way to account or get paid for this service?**

**B. Code 65 for outreach for full OAOS services: This service is in our SOW and is built into the budget, but it seems like there is not a way to account or get paid for this service?**

**C. Code 33 is going away – so when we are collaborating with family or other service providers, would this be code 50?**

**BHS:** While Service Code (SC) 5 will no longer be available as of 7/1/23, providers are encouraged to begin utilizing information from the initial screening form as part of the assessment process and claiming for these services. SC65 will remain available at this time and as we transition to Rate-Based Contracts, there will be updates communicated. SC33- Collateral will no longer be available as a stand-alone service. It will instead be claimed under the service which is the focus of the

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contact with the significant support person.

For example, case manager meets with a family member to discuss the coping skills the client is working on and the tools for the family to support. This would be documented as a Rehabilitation service with Provided to: Family.

**12. How will CPT codes be audited?**

**BHS:** The appropriate use of CPT codes will be monitored through medical record reviews.

**C. OTHER QUESTIONS RELATED TO CALAIM PAYMENT REFORM**

**1. Will services require prior authorization with payment reform?**

**BHS:** Only services required by DHCS to have a prior authorization as currently outlined in [BHIN 22-016](#) for SMHS & [BHIN 23-001](#) for DMC-ODS.

**2. Will the Utilization Review process change under payment reform? If so, how?**

**BHS:** Programs will still be required to conduct UR activities to ensure medical necessity, appropriateness of care and to detect and prevent fraud, waste, and abuse.

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