CALIFORNIA ADVANCING & INNOVATING MEDI-CAL (CalAIM) PAYMENT REFORM

FREQUENTLY ASKED QUESTIONS

ACBH Finance Division, January 2023
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General

1. **What changes are anticipated on July 1, 2023?**

   Starting on July 1, 2023, ACBH is anticipating contracts, billing, and services changes associated with the new billing system SmartCare and the payment reform under California Advancing and Innovating Medi-Cal (CalAIM) as follows:

   - Contract language will be reviewed and revised as needed to reflect the services under the CalAIM requirements and to align with SmartCare (replacing InSyst).
   - Master Contracts will remain similarly structured and not include details such as specific CPT codes in the contract language.
   - Mental Health Plan Fee-For-Service Provider Network Contracts will be amended to reflect changes under CalAIM payment reform
   - ACBH will not implement broad changes to provider payment structures effective 7/1/23 and is working to complete a multi-phased multiple year implementation toward Fee-For-Service reimbursement.
   - Using the framework and lessons learned from the past several years of implementing the Full-Service Partnership (FSP) Provider Pilot program, ACBH developed a multiple phase year systemwide transition plan to a FFS methodology and will continue to pilot new changes with the FSP providers.
   - ACBH is currently exploring the roll-out of FSP payments per increment versus per minute/hour of service for FY 2023-24.

2. **What is the plan for communication and training?**

   ACBH will continue to provide progress and status updates of the changes and impacts to the providers via ACBH memos, Provider Trainings, Town Halls, Spring Provider Meetings, Contract Renewal, and FAQs documents. There will be forthcoming information regarding the training for the new billing system, SmartCare.

3. **Will subcontracted providers have an opportunity to provide feedback on changes and training?**
ACBH welcomes continuous feedback as we are always looking to improve our communications and the system at large.

4. Will grants or funding be available to providers to support Electronic Health Record (EHR) changes, staff training, or other costs?

On 12/6/2022, ACBH released the Request for Pre-Qualification for an Opportunity for One-Time Enhancement funded with MHSA. Refer to the link for the RFPQ details: https://gsa.acgov.org/do-business-with-us/contracting-opportunities/current-bid/?bidid=2636

5. Will categories of providers be treated differently? For example, will SUD providers or SUD residential providers be phased in later?

Systemwide implementation under CalAIM will build and improve upon the lessons learned from the pilot. Medi-Cal Specialty Mental Health and Substance Use Disorder services are categorized into groups based on similar services. Transition of these groups is separated into 3 phases that will be completed over a five-year period beginning in this upcoming fiscal year. Each phase will transition over a three-year period. This mirrors the multi-phased transition as executed in the pilot. The tentative rate grouping are as follows:

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<th>Year Transition Begins</th>
<th>Phase</th>
<th>Tentative Rate Grouping</th>
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<td>FY 22-23</td>
<td>1</td>
<td>School-Based Behavioral Health (SBBH)</td>
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<td>FY 23-24</td>
<td>2</td>
<td>Clinic-based Treatment, Service Teams, Other Outpatient</td>
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<td>FY 24-25</td>
<td>3</td>
<td>Specialty Programs (i.e., Therapeutic Behavioral Health Services, Residential Treatment)</td>
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6. What is the long-term advantage of payment reform?

Based upon lessons learned from the FSP Payment Transformation Pilot, the program has proved to be successful in both shifting payment away from cost-based reimbursement through the development of FFS based methodology and improving quality outcomes through an incentive design program that provides supplemental payments to providers for achieving defined quality benchmarks. The long-term advantage will be reduced administrative burden of cost reporting and reimbursement that is limited to costs.
Contracts

7. What will be the process for establishing rates for contracts?

ACBH is developing a plan to minimize changes to the provider FY 2023-24 payment structures and phase changes over multiple years. Based upon the lessons learned from the FSP Payment Transformation Pilot ACBH will establish rates for services based upon data and including tiers or add-ons as appropriate.

8. Will providers be asked to provide data sets to inform new rates - e.g., payroll increases, average travel time or historical trends with documentation time?

ACBH may request providers to provide data that will include cost reports and market factors to establish or revaluate rates over time.

9. Considering the need for training and changes related to billing and documentation changes, will reduced service units / productivity be expected and factored into rates for FY 2023?

With the implementation of SmartCare, ACBH anticipates changes under the CalAIM payment reform and will provide staff training associated with the roll out of the new billing system. Based upon the systemwide transition and the specific program(s) included in an individual contract, there may be minimal changes to the reimbursement method or type for FY 2023-24.

10. Is DHCS paying a lump sum to County MHPs for the first 3 months of FY 2024?

No, DHCS is not paying a lump sum to MHPs for the first 3 months. DHCS has proposed to fund the first three months of an Intergovernmental Transfers (IGTs) account, which would result in one-time funding of $350M shared by counties, pending State’s FY 2023-24 budget approval. Due to the transition to IGTs, ACBH will reimburse providers in full per the terms of their contract AND transfer local dollars to DHCS to draw down the Federal share. Also, DHCS is proposing to use 1x funding available to front load IGT accounts to reduce the ‘double-fund’ burden on counties.

11. Will ACBH consider 1/12th payments for the first quarter or first half of the FY?

ACBH is planning a phased systemwide transition to Fee-for-Service reimbursement. Payments for 1/12th of allocations would be moving further away from Fee-for-service.
12. How will ACBH ensure there is no disruption to payments or cash flow for providers?

Based on utilization and rates set by the state (no settlement based on cost) for Medi-Cal reimbursement, ACBH plans to absorb most of the risk by continuing cost-based, provisional rate reimbursement for non-FSP programs similar to prior FYs during the transition period. DHCS is changing the reimbursement to counties and the way counties are required to bill Medi-Cal. Therefore, ACBH is not required to immediately change the reimbursement to providers. ACBH will align the system to leverage the benefits of payment reform over the next few years and will be responsible for maintaining the service delivery system. This will ensure there is no disruption to payments or cash flow for the providers.
Billing & Benefits Support

13. Will there be expected changes for our billing staff?

Due to the implementation of SmartCare starting 7/1/23, the billing staff will see changes in Clinician’s Gateway and/or if they have been directly entering data services in InSyst. Providers will manually enter their service data based on Payment Reform requirements, including both the service and duration. Provider Electronic Claims Submission – 837 file or Excel – Providers will have the ability to submit electronic claims approximately 6-9 months after Go-Live.

14. Which services or programs, are not included in payment reform changes?

Non-Medi-Cal treatment programs and services are not included in the payment reform.

15. Will ACBH provide training on the new CPT codes?

Currently, ACBH is working with Streamline (SmartCare vendor) to develop a training plan for providers before and after Go Live – July 1, 2023. More information will be provided.

16. Will CPT codes be phased in, or will they all be active on July 1, 2023?

ACBH is currently setting up the system with new procedure codes, modifiers, taxonomy, etc. based on the CalAIM MHS Billing Manual. Codes will be active on July 1st for the services that ACBH is currently billing. The billing manual includes many codes and ACBH will review after the initial implementation before expanding the volume of codes.

17. Will CPT practices be different by staff type? For example, will all Other Qualified Provider (OQPs) or Peers be excluded?

CPT codes work the same way as HCPCS Level II. The DHCS billing manual and updated QA manual will include which disciplines can bill, lock-out codes, and modifiers.

18. Will there be any system-wide policy related to provider travel to client homes and community locations? Will reduction of travel vary by provider?

Rates applicable to direct face-to-face would include applicable travel and documentation. This would vary by program, based upon tiers or add-ons as referenced in Questions No. 7 and programs will implement based upon the systemwide transition plan.
**Electronic Health Record**

**19. Will payment reform coding changes necessitate changes to providers clinical Electronic Health Record (EHR) or Electronic Medical Record (EMR)?**

Yes, changes will need to be made to providers clinical EHR’s to align with the new CPT codes and billing rules associated with the Payment Reform.

**20. How soon can this information be made available to providers to allow for sufficient time to engage providers’ EHR vendors?**

ACBH is working diligently towards the SmartCare go-live, and more information is forthcoming on requirements for training, etc.

**21. Will all providers use SmartCare on July 1?**

Yes, and/or continue to interface with Clinician’s Gateway as the front door to the billing system.

**22. What is the timeframe to enable the upload of data sets, to save time and provider resources, into SmartCare?**

The process to allow provider upload of data into SmartCare has been prioritized as Phase 2 of our implementation plan. Phase 2 is planned to begin after go-live, dependent on the overall implementation.