


- MEMORANDUM -

DATE: June 13, 2023

TO: Alameda County Behavioral Health (ACBH) Community-Based Organizations (CBOs)

FROM: Cecilia Serrano, Finance Director 
Karen Capece, LCSW, Interim Deputy Director, Plan Administrator
Karyn Tribble, PsyD, LCSW, ACBH Director

SUBJECT: California Advancing and Innovating Medi-Cal (CalAIM): Systemwide Transition to Fee-for-Service (FFS)

In late April 2023, the California Department of Healthcare Services (DHCS) released the Medi-Cal Behavioral Health Fee Schedules for Specialty Mental Health Services (SMHS), Drug Medi-Cal Organized Delivery System Services (DMC-ODS), and Drug Medi-Cal. The fee schedules contain behavioral health rates that DHCS will reimburse the County for services provided to Medi-Cal beneficiaries effective July 1, 2023. **Please note: These fee schedules from DHCS do not reflect the rates ACBH will utilize to reimburse contracted providers.**

Presently, ACBH is reviewing the fee schedules provided by DHCS to determine the potential impacts for contracted provider rates with consideration for the administrative lift this effort has on all impacted stakeholders. Counties across the state are using varying methodologies to establish how rates will be determined for contracted providers. DHCS has advised that the rates in the fee schedules should not be considered as pass-through rates to contracted providers. The new fee schedules are set up by Current Procedural Terminology (CPT) Codes and by type of rendering service provider.

In line with previous communication from ACBH, **there will be no impact to the majority of ACBH's contracted provider rates for FY 23-24.**¹ Contracted providers will continue to be reimbursed per the terms of the contract, i.e. on the provisional rates included in the contract by service modality and settled to cost for FY 23-24. There will be no change in the methodology for payments that you are currently receiving for FY 23-24. ACBH will be transitioning CBOs to FFS over a multi-year phased approach and is still evaluating a plan for phasing in rates by CPT code by type of rendering service provider. ACBH intends to set appropriate rates for the transition to FFS and other changes to rates within the delivery system. CBOs should carefully monitor and manage their costs and productivity to minimize financial risk.

Throughout this multi-year phased approach, ACBH will communicate changes and provider training opportunities in multiple forums, including but not limited to Memorandums, Spring Provider Meetings, Contract Renewal Documents, and FAQs. For more information regarding DHCS' behavioral health fee schedules and payment reform information, please review the [DHCS website](#) and [ACBH FAQs](#); for additional questions, please email contracts@acgov.org.

cc: ACBH Executive Leadership Team
ACBH Operational Leadership Team
ACBH Finance Division

¹ Exceptions include Opioid Treatment Program providers, Mental Health Plan Network of Individual and Group/CBO providers and Full Service Partnerships. These contracts have already been paid at a negotiated or fee-for-service rate.

