



JENNIFER KENT  
DIRECTOR

State of California—Health and Human Services Agency  
Department of Health Care Services



EDMUND G. BROWN JR.  
GOVERNOR

12/21/2017

County Behavioral Health Directors Association  
2125 19th Street, 2<sup>nd</sup> Floor  
Sacramento, CA 95818

Subject: Fiscal and documentation practices for temporary absences from residential SUD treatment

Dear Ms. Kelley and Mr. Sackman:

Thank you for your letter dated September 15, 2017, requesting approval for counties to utilize practices to address beneficiary involuntary residential treatment absences. After careful review, the Department of Health Care Services (DHCS) cannot approve any of the three practices submitted by the CHBHDA's Co-Chair Substance Abuse Prevention and Treatment (SAPT) Committee. The following provides a response and supporting citations on each proposed practice.

Proposed Practice 1:

*CHBDA proposes to use non-Medi-Cal dollars (including, but not limited to, SAPT block grant funds), to pay residential treatment providers to hold client beds during temporary absences.*

This proposed practice requires Substance Abuse and Mental Health Services Administration's (SAMHSA) approval prior to implementation. SAPT block grant funds may only be expended for, "the purpose of planning, carrying out, and evaluating activities to prevent and treat substance abuse and for related activities authorized in section 300x-24 of this title [42]." (42 USC § 300x-21(b).) No SUD services are delivered during a beneficiary's absence from residential treatment. Accordingly, SAPT funds cannot be used to simply "hold client beds."

This proposed practice would offer reimbursement for a time period in which a beneficiary is not receiving treatment services from a SUD facility. If that beneficiary then receives hospital services, a second claim for the same time period could be considered a fraudulent claim.

Proposed Practice 2:

*CBHDA proposes that counties not initiate a new CalOMS treatment episode when a client returns to the same SUD residential treatment program following a temporary absence, unless a re-assessment is conducted and treatment plan modification is clinically indicated.*

Although your letter does not explicitly define “temporary,” please refer to the CalOMS Tx Data Collection Guide section 8.5, Program Participants Administratively Discharged, Deceased, or Incarcerated.<sup>1</sup> In accordance with the Guide, beneficiaries in residential treatment are allowed seven consecutive days before an administrative discharge is required as cited below:

“Residential or day-program: report an administrative discharge if s/he has been absent from the program without leave (from the program or treatment counselor) for seven consecutive days. If leave has been granted and the individual does not return by the date s/he is expected, begin counting from the day s/he was due back to the program.”

Proposed Practice 3:

*CBHDA proposes that when a client returns to the same SUD residential program with no significant changes in diagnosis or treatment plan following a temporary absence, a new 90-day treatment authorization under the terms of the DMC-ODS Waiver not be required. In these cases, days spent outside the treatment facility will not count towards the 90-day DMC-ODS treatment episode. (i.e., a 5-day inpatient hospitalization will not be counted towards the 90 allowed days in residential treatment.)*

The episode of treatment begins with admission and ends upon discharge. A planned leave may be considered acceptable. There is no need to discharge the beneficiary if the leave is planned and well documented. Please see CalOMS Tx Data Collection Guide, section 8.5 Program Participants Administratively Discharged, Deceased, or Incarcerated.<sup>2</sup>

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<sup>1</sup> [http://www.dhcs.ca.gov/provgovpart/Documents/CalOMS\\_Tx\\_Data\\_Collection\\_Guide\\_JAN%202014.pdf](http://www.dhcs.ca.gov/provgovpart/Documents/CalOMS_Tx_Data_Collection_Guide_JAN%202014.pdf)

<sup>2</sup> Ibid. at 2.

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If you have any further questions, or would like to discuss this matter, please contact Marco Zolow, Health Program Specialist II, SUD Program, Policy and Fiscal Division at (916) 327-8608.

Sincerely,

Don Braeger, Division Chief  
SUD Program, Policy and Fiscal Division

cc: Karen Baylor, DHCS  
Marlies Perez, DHCS  
Marco Zolow, DHCS  
Ms. Veronica Kelley, LCSW  
Mr. David Sackman, MFT