



The Drug Medi-Cal Organized Delivery System

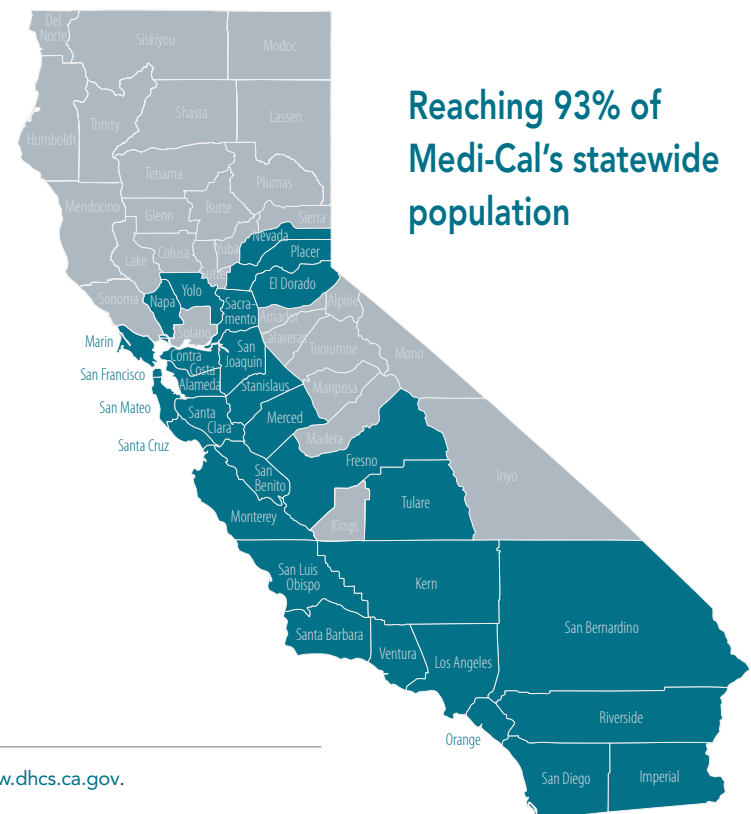
What Is the Drug Medi-Cal Organized Delivery System, or DMC-ODS?

DMC-ODS is Medi-Cal's five-year effort to dramatically expand, improve, and reorganize its system for treating people with substance use disorder (SUD). It's a demonstration project that was established through a Medicaid Section 1115 waiver approved by the federal government in 2015. The program aims to demonstrate that providing organized SUD care to people with Medi-Cal improves health outcomes while reducing overall health care costs.¹ Participation in the program is by county and is voluntary. As of August 2019, 30 counties were implementing and providing services under the DMC-ODS pilot. These counties account for 93% of the Medi-Cal population statewide (see Figure 1).^{2,3}

What Services Are Provided?

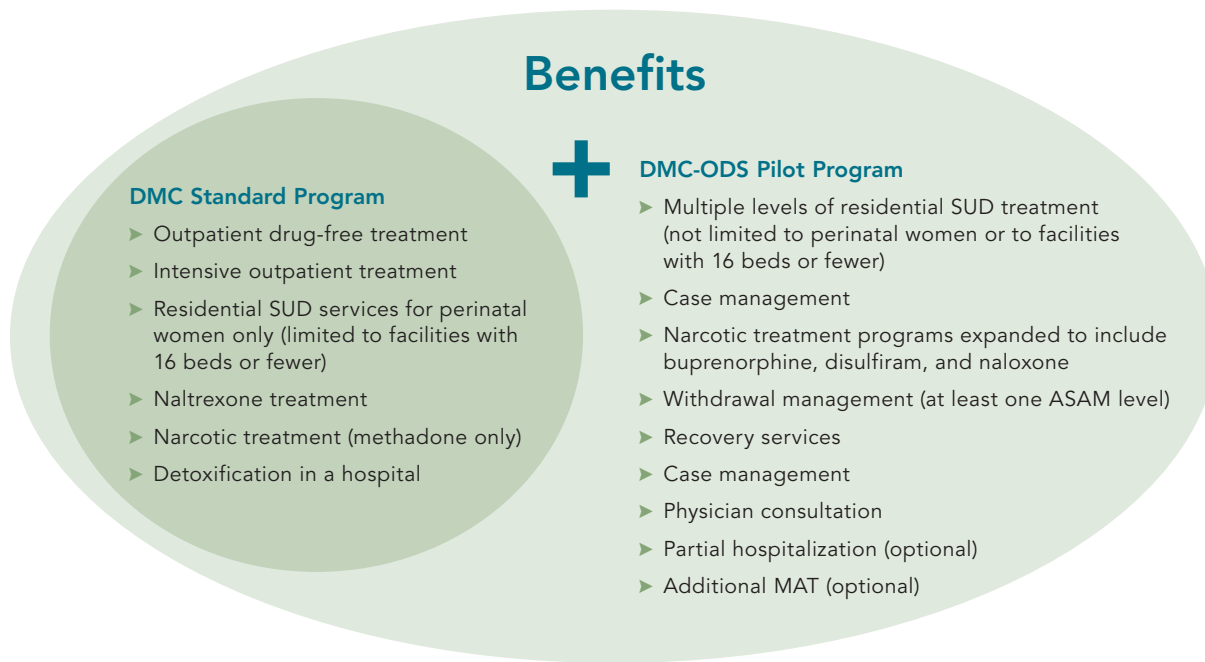
DMC-ODS requires that counties provide access to a full continuum of SUD services modeled after the American Society of Addiction Medicine (ASAM) criteria. These criteria, first developed in 1991, are the most widely used guidelines for creating comprehensive and individualized treatment plans for people with SUDs. Services provided under the DMC-ODS are significantly more comprehensive than the limited set of services provided under the standard Drug Medi-Cal program (see Figure 2, page 2). DMC-ODS builds on the standard program by expanding services to include case management, multiple levels of residential SUD treatment, withdrawal management, recovery services, physician consultation, and the option to provide medication-assisted treatment (MAT) and partial hospitalization.

Figure 1. California Counties Currently Implementing DMC-ODS (30)



1. "Drug Medi-Cal Organized Delivery System," Department of Health Care Services (DHCS), accessed August 15, 2019, www.dhcs.ca.gov.
2. "Counties Participating in DMC-ODS," DHCS, accessed August 15, 2019, www.dhcs.ca.gov.
3. "Medi-Cal Certified Eligibles — Recent Trends," DHCS, accessed August 15, 2019, www.dhcs.ca.gov. Estimates were based on February 2019 eligibility data, which were the most recent data available at the time of publication.

Figure 2. Services Provided Through Drug Medi-Cal Standard and Organized Delivery System Pilot Programs



Who Is Eligible?

To be eligible for DMC-ODS services, people must meet all the following:

- ▶ Be eligible for Medi-Cal
- ▶ Reside in a county that is participating in DMC-ODS
- ▶ Have received at least one diagnosis from the Diagnostic and Statistical Manual of Mental Disorders for substance-related and addictive disorders (except for tobacco-related disorders)

- ▶ Meet the ASAM criteria definition of medical necessity for services

People under age 21 are eligible to receive services under the Early and Periodic Screening, Diagnostic, and Treatment mandate. They must meet both of the following medical necessity requirements:

- ▶ Be assessed to be at risk for developing an SUD
- ▶ Meet the ASAM adolescent treatment criteria

What Other Ways Does the Waiver Expand Access to SUD Services?

Included in the waiver is an exemption from the Institution for Mental Disease (IMD) exclusion, which prohibits Medi-Cal from using federal funding for the treatment of SUD and mental health conditions in facilities with more than 16 beds for adults age 21 to 64 with Medi-Cal. The exemption to this exclusion allows for federal matching funds to be used for SUD treatment and frees up grant funds that were previously supporting these services to fund other programs not covered by Medi-Cal.

The waiver also expands workforce capacity by allowing licensed practitioners of the healing arts (LPHAs) to determine medical necessity and to direct treatment plans. LPHAs include:

- ▶ Physician, licensed/waivered psychologist
- ▶ Licensed/waivered/registered social worker
- ▶ Licensed/waivered/registered marriage and family therapist
- ▶ Licensed/waivered/registered professional clinical counselor
- ▶ Registered nurse
- ▶ Nurse practitioner

Authors

Chelsea Kelleher, Allison Valentine, and Molly Brassil
[Harbage Consulting](#)

This project was funded by the [California Health Care Foundation](#).