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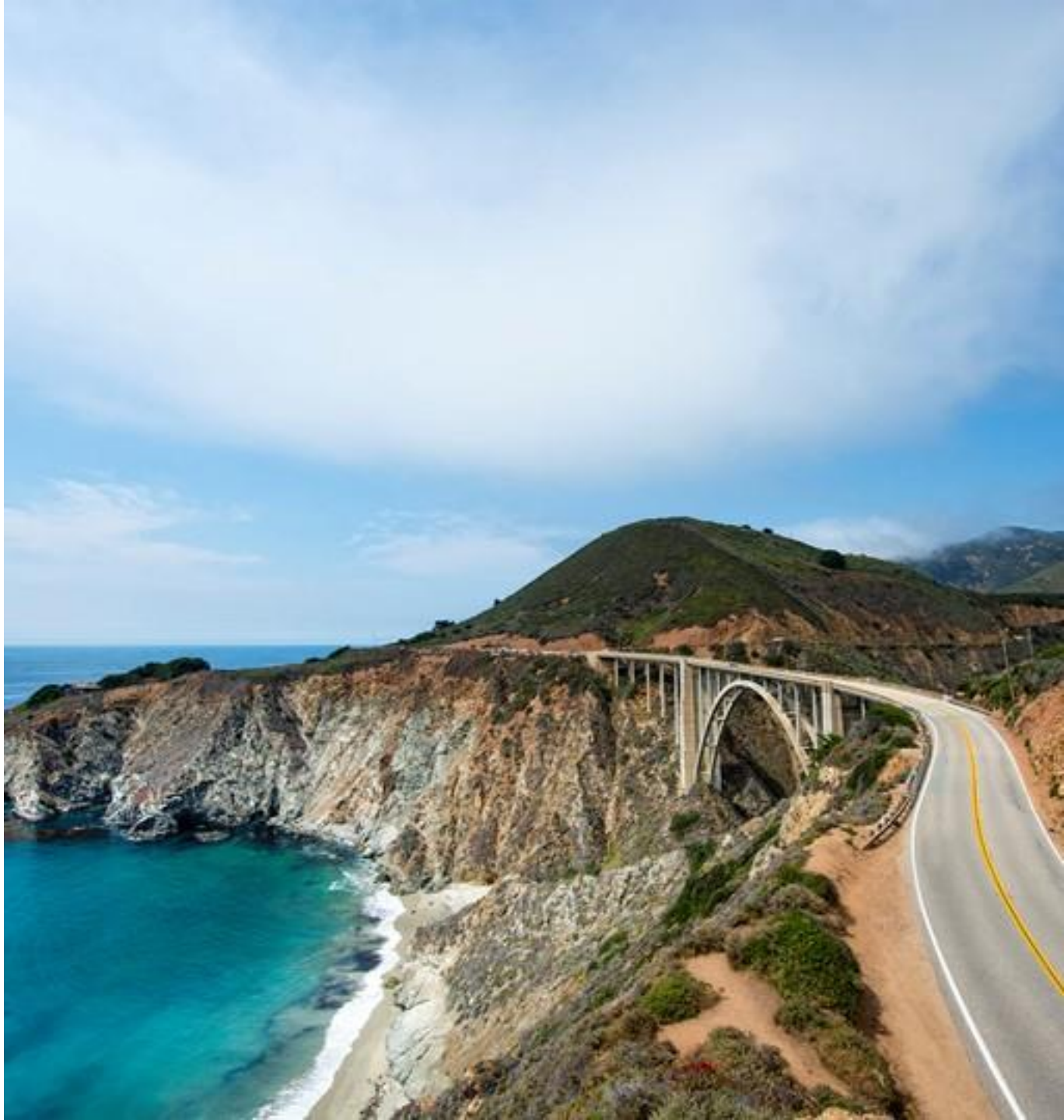
DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

Financing and Sustainability for AFBSS

AFBSS Webinar Series: June 25, 2026

The Assertive Field-Based Substance Use Disorder/Opioid Use Disorder Services Training and Technical Assistance is funded by California Department of Health Care Services (DHCS). This session is presented by Health Management Associates. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement by, DHCS.



Disclosures

Faculty	Nature of Commercial Interest
Elise Jones, MA	Ms. Jones discloses that she is an employee of Lake County Behavioral Health.
Glenda Aguilar, LMFT	Ms. Aguilar discloses that she is an employee of Orange County Health Care Agency.
Helen DuPlessis, MD	Dr. DuPlessis discloses that she is an employee of Health Management Associates, a national research and consulting firm providing technical assistance to a diverse group of health care clients.
Mark Lawrenz, LCSW	Mr. Lawrenz discloses that he is an employee of Orange County Health Care Agency.
Phebe Bell	Ms. Bell discloses that she is an employee of California Mental Health Services Authority (CalMHSA).
Ryan Caceres, MBA	Mr. Caceres discloses that he is an employee of California Mental Health Services Authority (CalMHSA).
Jeanene Smith, MD, MPH, CME Reviewer	Dr. Smith discloses that she is an employee of Health Management Associates, a national research and consulting firm providing technical assistance to a diverse group of health care clients.

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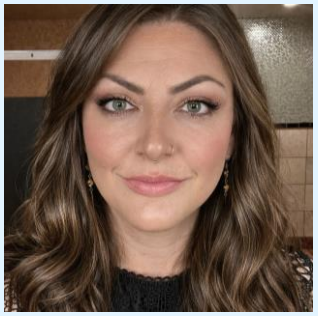
Common Acronyms Used in this Presentation

- **BHSA** – Behavioral Health Services Act
- **CalHHS** – California Health and Human Services Agency
- **CalMHSA** – California Mental Health Services Authority
- **CBO** – Community Based Organization
- **DHCS** – Department of Health Care Services
- **DMC-ODS** – Drug Medi-Cal Organized Delivery System
- **FFS** – Fee for Service
- **FFP** – Federal Financial Participation
- **FQHC** – Federally Qualified Health Center
- **MAT** – Medication for Addiction Treatment
- **MCP** – Medi-Cal Managed Care Plan
- **OSF** – Opioid Settlement Funds (OSF)
- **PATH** – Projects for Assistance with Transition from Homelessness – Outreach Grant
- **QA/UR** – Quality Assurance and Utilization Review Activities
- **SUBG** - Substance Use Prevention, Treatment and Recovery Block Grant
- **SUD** – Substance Use Disorder

Presenters



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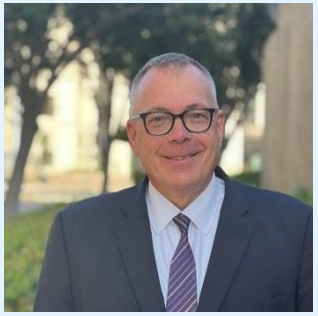

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Agenda

- Financing and Sustainability Landscape
- California Mental Health Services Authority (CalMHSA) and Related Resources
- County Learnings
- Key Strategies and Panel Discussion
- Question & Answer

Learning Objectives

At the end of the session, participants will be able to:

- Identify at least three funding sources that may support AFBSS implementation and ongoing operations.
- Describe at least three effective strategies for funding AFBSS activities.
- Identify at least two technical assistance resources to support counties in financing and sustaining AFBSS.
- Evaluate local implementation needs related to staffing, billing, partnerships, and sustainability.

Financing and Sustainability Landscape

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Financing Assertive Field-Based Substance Use Disorder Services (AFBSS)

- AFBSS requires a braided financing approach that is more complex than traditional field-based service models within the Medi-Cal delivery system.
- AFBSS is not a single, defined Medi-Cal benefit*.
  - There is no all-inclusive or bundled payment structure.
  - The model includes both billable clinical services and non-billable engagement activities.
- Medi-Cal funding only partially supports service delivery.
  - Even for defined benefits, counties receive federal reimbursement (FFP) for only a portion of costs.
  - Counties must fund the non-federal share using local or state resources.
- AFBSS introduces an additional layer of financial complexity.
  - Counties are expected to fund:
    - The non-federal share of billable Medi-Cal services; AND
    - The full cost of non-billable activities.

*Defined benefit means a service/program is specifically included in the Medicaid State Plan, and approved by the federal government as an entitlement, for eligible beneficiaries.

Medi-Cal

AFBSS Billing Reality

- Medi-Cal only supports a portion of the AFBSS workflow.
- Most front-end AFBSS activities are either non-billable or may be challenging to bill.
- Services must meet strict criteria to be billable.
- There is a gap between when work starts and when billing starts.
- Operational impact, including time spent on non-reimbursable activities.

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AFBSS Service Component	Medi-Cal Claimability	Billing Consideration
Outreach	***Limited***	Billing during outreach may be limited until sufficient information is collected to document a billable service.
Engagement / rapport building	☒	Does not meet medical necessity or service definition
Initial triage (informal)	☒	Not structured; not tied to a billable code
Structured screening (DAST, AUDIT)	☑	Must be documented and use validated tools
Brief intervention (following screening)	☑	Time-based; tied to screening and clinical decision-making
Full SUD assessment (ASAM)	☑	Covered Drug Medi-Cal assessment service
MAT initiation / medication services	☑	Covered medication / treatment service under Drug Medi-Cal
Individual / Group Counseling	☑	Core treatment service covered under Drug Medi-Cal
Care Coordination (within service context)	☑	Must be tied to treatment
Recovery / peer services	☑	When delivered within Medi-Cal program requirements
Navigation without service linkage	☒	Not recognized as a billable service
Program admin / supervision	***Limited***	Only for qualifying administrative activities

Funding Streams to Consider

Behavioral Health Services Act (BHSA)

- Supports integrated mental health and SUD services through county planning and implementation requirements.
- Requires a three-year Integrated Plan and adherence to non-supplantation rules.
- Primary statutory and programmatic foundation, directly aligns with AFBSS requirements.

2011 Realignment – Behavioral Health Subaccount

- Flexible funding that supports mental health and SUD services, including Drug Medi-Cal.
- May be used as the local funding source to meet the non-federal share requirement for Medi-Cal services.
- Core financing mechanism to draw down federal reimbursement, support Medi-Cal claimable components, and finance elements of the model not fully reimbursed through Medi-Cal.

SOURCE(S): California Department of Health Care Services, 2025; Legislative Analyst's Office, 2011.

Funding Streams to Consider (Continued)

Medi-Cal Patient Care Revenue

- Reimbursement generated from approved Medi-Cal claims.
- Subject to medical necessity and claiming requirements.
- Not available for non-covered services for administrative costs.
- Counties may apply Medi-Cal patient care revenue more broadly.

Substance Use Prevention, Treatment and Recovery Block Grant (SUBG)

- Federal block grant funding designated to support SUD prevention, treatment, and recovery services for insured or underinsured populations.
- Not eligible to finance Medi-Cal services or serve as match for federal programs.
- The Adolescent and Youth Treatment Set-Aside may be considered for eligible youth populations.
- The Perinatal Set-Aside may be considered for pregnant and postpartum individuals within allowable program parameters.

SOURCE(S): California Mental Health Services Authority, 2025.

Funding Streams to Consider (Continued)

Opioid Settlement Funds (OSF)

- Settlement funding designated for opioid-related prevention, treatment, recovery, and related activities.
- May be considered when AFBSS aligns with opioid remediation goals and allowable use requirements.

Medi-Cal Administrative and Quality Assurance (QA) and Utilization Review (UR) FFP:

- Federal reimbursement is available for administrative activities, utilization review, and quality assurance functions associated with Medi-Cal services.
- Limited to allowable activities that are directly tied to Medi-Cal services.
- May be considered to support the administrative and QA/UR costs.

SOURCE(S): California Department of Health Care Services, 2026; California Department of Health Care Services, 2025.

Funding Streams to Consider (Continued)

Insurance (Third Party Payors)

- Revenue from Medicare and commercial insurance for covered services prior to Medi-Cal billing.
- Subject to plan-specific requirements.
- May be a supplemental funding source for covered services when applicable.

County General Funds

- Locally controlled discretionary funds used to support maintenance of effort (MOE), fill service gaps, and fund administrative or program needs.
- May be a flexible funding source based on local priorities and available resources.

PATH (Projects for Assistance with Transition from Homelessness – Outreach Grant)

- Funding for Services for individuals experiencing homelessness with serious mental illness and co-occurring SUD.
- Restricted to a defined population.
- May be considered for outreach, engagement, screening, and linkage activities aligned with PATH eligibility.

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SOURCE(S): Substance Abuse and Mental Health Services Administration, 2025.

Recapping Considerations for Financing AFBSS

- AFBSS financing is not about one funding source; it is about aligning multiple funding streams to support a single model of care.
- These core behavioral health funding sources (BHSA, Realignment, Medi-Cal, SUBG, OSF, etc.) are often already maximized or committed.
- Sustainability requires a broader strategy.
- Counties must also consider how to:
  - Integrate AFBSS into existing delivery structures.
  - Align with established programs and service pathways.
  - Leverage shared infrastructure and workforce models.

Creative Approaches to Meeting Expectations

- Think about existing programs you manage; can you add AFBSS services to those programs?
  - Relevant existing programs might include Mobile Crisis Teams or Homeless Outreach Teams.
  - Can you add a contract for virtual Medication for Addiction Treatment (MAT) prescribing and use one of those teams as an access point to that care?
  - Can you add an SUD counselor to the team?
- Think about programs that other partners operate; can you add a Memorandum of Understanding (MOU) or a small amount of funding to get access to that data and/or claim those programs as part of the system of care?
  - Relevant existing programming might include an FQHC drop-in clinic, a street-medicine program or a hospital-based navigation program.
  - Can you build better linkages to these programs?

CalMHSA and Related Resources (from BCG)

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CalMHSA Behavioral Health Fiscal Academy (BHFA)

- The BHFA is a CalMHSA training series that equips county finance teams with practical tools to manage Medi-Cal funding, braided financing, and fiscal compliance.
- Helps counties understand and operationalize complex funding models, including Medicaid reimbursement, local match, and sustainability strategies, through real-world application.
- Covers core topics such as Medi-Cal claiming, BHSA budgeting, revenue forecasting, and realignment to align financing with delivery models like AFBSS.

SOURCE(S): California Mental Health Services Authority (CalMHSA), 2026.

Federal match-related training and technical assistance (TTA), designed in partnership between Boston Consulting Group (BCG) and 15+ California County Behavioral Health Plans (BHPs), is being made available on the DHCS County Portal Support Center.

Billable Service Capture

1. On-site documentation support	**2. TCM/CC billing guide**	**3. Collaborative documentation guide**
Field-based training, supervision alignment, and role-specific coaching.	Create role-specific guide to deliver bill Targeted Case Management + Care Coordination accurately.	Create role-specific guide to conduct collaborative documentation.
4. Documentation support model	**5. AI ambient scribes**	**6. Administrative claiming**
Centrally led model to strengthen provider documentation practices.	Develop business case and conduct vendor scan for transformational tech.	Standardized process for accurately claiming Medi-Cal Administrative expenses.
7. QA/UR claiming	**8. Service capture**	**9. Insurance verification**
Standardized process for accurately claiming Medi-Cal QA/UR expenses.	Identify and validate billable activities embedded in program workflows.	Ensure eligibility of every client is verified and that they are directed appropriately.

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You can access this training and technical assistance at:
DHCS County Portal Support Center

Federal match-related TTA designed in partnership between BCG and 15+ CA County BHPs is being made available on the DHCS County Portal Support Center (Continued)

Providers

10. Provider productivity

Design & implement comprehensive productivity standards for frontline staff.

11. Supervisor enablement

Outline opportunities and avenues for improved supervisor support.

Fiscal and Data-Driven Performance Management

12. Fiscal process redesign

Strengthen cross-departmental workflows to maximize FFP.

13. Data-driven strategic action

Design and implement a FFP tracking and fiscal performance dashboard.

14. Strategic contracting

Develop model FFS contract and governance to boost FFP drawdown.

15. Culture of FFP

Develop an internal comms campaign for BHP staff re: importance of FFP.

Billable Service Design

16. New client engagement

Strengthen end-to-end intake and scheduling process to reduce no-shows.

17. New peer billing pathways

Identify and enable new channels for Peer claiming across care settings.

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You can access this training and technical assistance at:
DHCS County Portal Support Center

County Learnings

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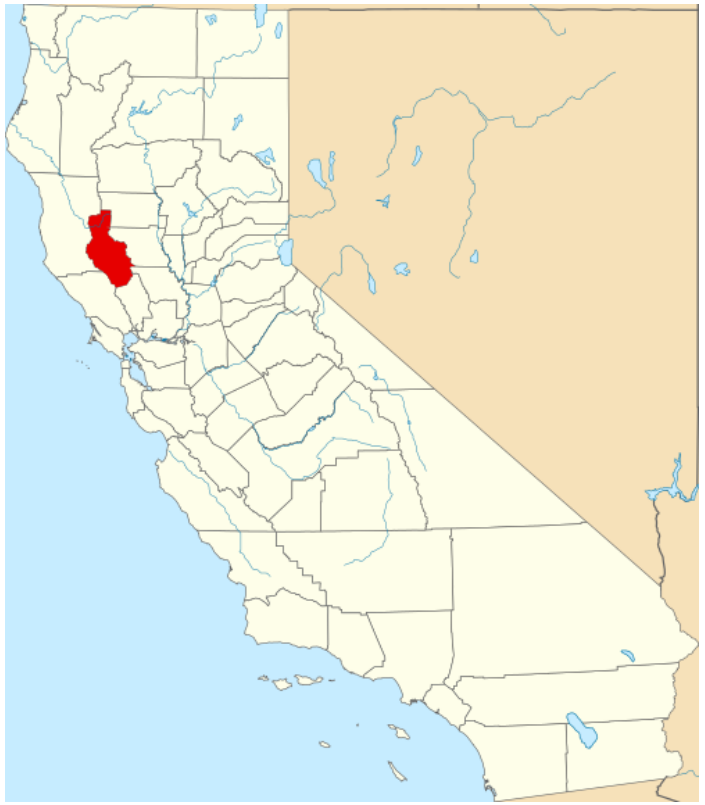
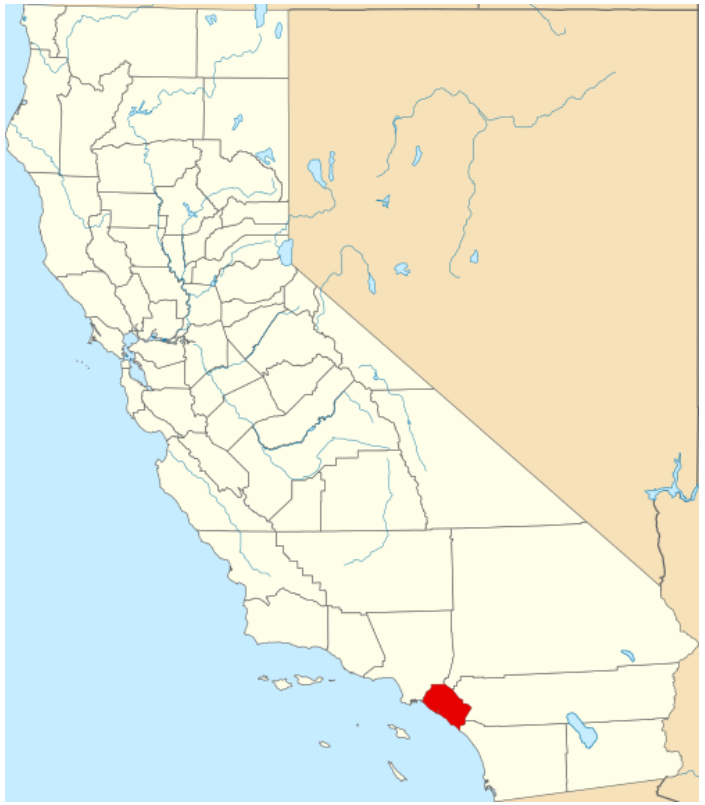
Lake County

- Building AFBSS on existing Lake County field-based infrastructure: Mobile Crisis, DMC-ODS care coordination, peer support, MAT linkage, and post-crisis/post-overdose follow-up.
- Using a braided funding model: Medi-Cal/DMC-ODS and Mobile Crisis for billable services; BHSA, OSF, Realignment, and managed care plan community reinvestment for start-up, outreach, and non-billable engagement.
- Partnering with County Public Health to activate an unused, fully outfitted mobile medical clinic as a shared platform for AFBSS and public health services, with proposed MCP Community Reinvestment Funds support.
- Addressing rural sustainability realities by minimizing new start-up costs, repurposing existing assets, strengthening partnerships, and acknowledging that workforce/provider capacity is the most significant implementation challenge.



Orange County

- Building AFBSS on existing Orange County infrastructure:
  - Enhancing existing outreach efforts to ensure data driven approach (e.g., examining heat maps and overdose data, coordinating with field engagement plans).
  - Expanding the capacity of County SUD outpatient clinics to serve as rapid-entry points for treatment, aligning workflows and referral pathways, and ensuring no wrong door approach.
  - Integrating mobile Narcotic Treatment Program (NTP) units as an extension of the broader SUD treatment continuum.
- Utilizing braided funding streams: Medi-Cal/DMC-ODS, SUBG, Realignment, County General Fund, and BHSA.
- Partnering with SUD providers, MCPs, FQHCs, and CBOs to support coordinated system development.



Key Strategies and Panel Discussion

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Summary of Key Strategies

- Optimizing **Medi-Cal reimbursement,** when appropriate.
- **Building on / enhancing existing programs** (e.g., adding MAT to existing field-based teams or mobile crisis units).
- **Braiding funding sources** (e.g., DMC-ODS, Mobile Crisis benefit, Opioid Settlement $, CalAIM (ECM, CS), realignment, etc.).
- Embracing/enhancing **telehealth** options.
- **Partnering** with other providers in the ecosystem (especially MAT prescribers).
- **Regional (i.e., cross-county) partnership/collaboration.**

Questions?

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