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WELFARE AND INSTITUTIONS CODE - WIC

DIVISION 9. PUBLIC SOCIAL SERVICES [10000 - 18999.98] (Division 9 added by Stats. 1965, Ch. 1784.)

PART 3. AID AND MEDICAL ASSISTANCE [11000 - 15771] (Part 3 added by Stats. 1965, Ch. 1784.)

CHAPTER 7. Basic Health Care [14000 - 14199.87] (Chapter 7 added by Stats. 1965, 2nd Ex. Sess., Ch. 4.)

ARTICLE 3.2. Drug Medi-Cal Treatment Program [14124.20 - 14124.29] (Article 3.2 added by Stats. 2012, Ch. 36, Sec. 80.)

[14124.20.](#) (a) The department may enter into a Drug Medi-Cal Treatment Program contract with each county for the provision of alcohol and drug use services within the county service area.

(b) A county that has multiple contracts with the department for the provision of multiple alcohol and drug use services may enter into a single contract with the department.

(Added by Stats. 2012, Ch. 36, Sec. 80. (SB 1014) Effective June 27, 2012. Operative July 1, 2012, by Sec. 83 of Ch. 36.)

[14124.21.](#) (a) If a county decides to not enter a Drug Medi-Cal Treatment Program contract with the department, the county shall notify the department of this decision in writing by the May 20 preceding the fiscal year in which, or at least 60 days before, the contract would have become effective.

(b) (1) To the extent that a county decides not to enter into or terminates its Drug Medi-Cal Treatment Program contract with the department, the department shall contract for Drug Medi-Cal Treatment services in the county as necessary to ensure beneficiary access to these services. The contract shall be made in accordance with federal Medicaid and state Medi-Cal laws and in accordance with the federal court order and any future action in the case of *Sobky v. Smoley* (E.D.Cal 1994) 855 F.Supp. 1123.

(2) The department may enter into contracts for the provision of Drug Medi-Cal Treatment Program services with certified Drug Medi-Cal providers directly or through qualifying individual counties, counties acting jointly, county consortia, and with qualified individuals, organizations, or nongovernmental entities.

(c) The department and the Department of Finance shall determine how much funding is necessary to provide the necessary services in a county and notify the Controller.

(Added by Stats. 2012, Ch. 36, Sec. 80. (SB 1014) Effective June 27, 2012. Operative July 1, 2012, by Sec. 83 of Ch. 36.)

[14124.22.](#) (a) In addition to narcotic treatment program services, a narcotic treatment program provider who is also enrolled as a Medi-Cal provider may provide medically necessary medical treatment of concurrent health conditions within the scope of the provider's practice, to Medi-Cal beneficiaries who are not enrolled in managed care plans. Medi-Cal beneficiaries enrolled in managed care plans shall be referred to those plans for receipt of medically necessary medical treatment of concurrent health conditions.

(b) Diagnosis and treatment of concurrent health conditions of Medi-Cal beneficiaries not enrolled in managed care plans by a narcotic treatment program provider may be provided within the Medi-Cal coverage limits. When the services are not part of the substance use disorder treatment reimbursed pursuant to Section 14021.51, services shall be reimbursed in accordance with the Medi-Cal program. Services reimbursable under this section shall include, but are not limited to, all of the following:

- (1) Medical treatment visits.
- (2) Diagnostic blood, urine, and X-rays.
- (3) Psychological and psychiatric tests and services.
- (4) Quantitative blood and urine toxicology assays.

(5) Medical supplies.

(c) A narcotic treatment provider, who is enrolled as a Medi-Cal fee-for-service provider, shall not seek reimbursement from a beneficiary for substance abuse treatment services, if services for treatment of concurrent health conditions are billed to the Medi-Cal fee-for-service program.

(Added by Stats. 2012, Ch. 36, Sec. 80. (SB 1014) Effective June 27, 2012. Operative July 1, 2012, by Sec. 83 of Ch. 36.)

14124.23. The department may enter into contracts for the procurement of services to assist the department in administering the Drug Medi-Cal Treatment Program.

(Added by Stats. 2012, Ch. 36, Sec. 80. (SB 1014) Effective June 27, 2012. Operative July 1, 2012, by Sec. 83 of Ch. 36.)

14124.24. (a) For purposes of this chapter, "Drug Medi-Cal reimbursable services" means the substance use disorder services described in the California Medicaid State Plan and includes, but is not limited to, all of the following services, administered by the department, and to the extent consistent with state and federal law:

(1) Narcotic treatment program services, as described in subdivision (a) of Section 14021.51.

(2) Intensive outpatient treatment services.

(3) Perinatal residential services for pregnant women and women in the postpartum period.

(4) Naltrexone services.

(5) Outpatient drug-free services.

(6) Other services upon approval of a federal Medicaid state plan amendment or waiver authorizing federal financial participation.

(b) (1) While seeking federal approval for any federal Medicaid state plan amendment or waiver associated with Drug Medi-Cal services, the department shall consult with the counties and stakeholders in the development of the state plan amendment or waiver.

(2) Upon federal approval of a federal Medicaid state plan amendment authorizing federal financial participation for the following services, and subject to appropriation of funds, "Drug Medi-Cal reimbursable services" shall also include the following services, administered by the department, and to the extent consistent with state and federal law:

(A) Medication-assisted treatment services, including both of the following:

(i) Any medication approved under Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 355), and all biological products licensed under Section 351 of the Public Health Service Act (42 U.S.C. Sec. 262) to treat opioid use disorders.

(ii) Counseling services and behavioral therapy.

(B) Case management services, including supportive services to assist a person with substance use disorder diagnoses in gaining access to medical, social, educational, and other needed services.

(C) Aftercare services.

(c) (1) The nonfederal share for Drug Medi-Cal services shall be funded through a county's Behavioral Health Subaccount of the Support Services Account of the Local Revenue Fund 2011, and any available county funds eligible under federal law for federal Medicaid reimbursement. The funds contained in each county's Behavioral Health Subaccount of the Support Services Account of the Local Revenue Fund 2011 shall be considered state funds distributed by the principal state agency for the receipt of the federal block grant funds for prevention and treatment of substance abuse found at Subchapter XVII of Chapter 6A of Title 42 of the United States Code. Pursuant to applicable federal Medicaid law and regulations, including Section 433.51 of Title 42 of the Code of Federal Regulations, a county may claim allowable Medicaid federal financial participation for Drug Medi-Cal services based on the county's certification of their actual total funds expenditures for eligible Drug Medi-Cal services to the department.

(2) (A) If the director determines that a county's provision of Drug Medi-Cal treatment services are disallowed by the federal government or by state or federal audit or review, the impacted county shall be responsible for repayment of all disallowed federal funds. In addition to any other recovery methods available, including, but not limited to, offset of Medicaid federal financial participation funds owed to the impacted county, the director may offset these amounts in accordance with Section 12419.5 of the Government Code.

(B) A county subject to an action by the director pursuant to subparagraph (A) may challenge that action by requesting a hearing in writing no later than 30 days from receipt of notice of the department's action. The proceeding shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director shall have the powers granted therein. Upon a county's timely request for hearing, the county's obligation to make payment as determined by the director shall be stayed pending the county's exhaustion of administrative remedies provided but no longer than necessary to ensure the department's compliance with Section 1903(d)(2)(C) of the federal Social Security Act (42 U.S.C. Sec. 1396b).

(d) Drug Medi-Cal services are only reimbursable to a Drug Medi-Cal provider with an approved Drug Medi-Cal contract.

(e) A county shall negotiate contracts only with providers certified to provide Drug Medi-Cal services.

(f) The department shall develop methods to ensure timely payment of Drug Medi-Cal claims.

(g) (1) A county or a contracted provider, except for a provider subject to the requirements of subdivision (h), shall submit accurate and complete cost reports for the previous fiscal year by November 1, following the end of the fiscal year. The department may settle Drug Medi-Cal reimbursable services, based on the cost report as the final amendment to the approved county Drug Medi-Cal contract.

(2) Any amount paid for any service provided to a Drug Medi-Cal beneficiary shall be audited by the department in the manner and form described in Section 14170.

(3) Administrative appeals to review grievances or complaints arising from the findings of an audit or examination made pursuant to this section shall be subject to Section 14171.

(h) A certified narcotic treatment program provider that is exclusively billing the state or the county for services rendered to persons subject to Section 1210.1 or 3063.1 of the Penal Code or Section 14021.52 shall submit accurate and complete performance reports for the previous state fiscal year by November 1 following the end of that fiscal year. That provider shall estimate its budgets using the uniform state daily reimbursement rate. The format and content of the performance reports shall be mutually agreed to by the department, the County Behavioral Health Directors Association of California, and representatives of the treatment provider.

(i) Any contract entered into pursuant to this section shall be exempt from the requirements of Chapter 1 (commencing with Section 10100) and Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code.

(j) Annually, the department shall publish procedures for contracting for Drug Medi-Cal services with certified providers and for claiming payments, including procedures and specifications for electronic data submission for services rendered.

(k) If the department commences or concludes a preliminary criminal investigation of a certified provider, the department shall promptly notify each county that currently contracts with the provider for Drug Medi-Cal services that a preliminary criminal investigation has commenced or concluded.

(1) Notice of the commencement and conclusion of a preliminary criminal investigation shall be made to the county behavioral health director or their equivalent.

(2) Communication between the department and a county specific to the commencement or conclusion of a preliminary criminal investigation shall be confidential and shall not be subject to any disclosure request, including, but not limited to, the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code), the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), requests pursuant to a subpoena, or for any other public purpose, including, but not limited to, court testimony.

(3) Information shared by the department with a county on a preliminary criminal investigation shall be maintained in a manner to ensure protection of the confidentiality of the criminal investigation.

(4) The information provided to a county pursuant to this section shall only include the provider name, national provider identifier number, address, and the notice that an investigation has commenced or concluded.

(5) A county shall not take any adverse action against a provider based solely upon the preliminary criminal investigation information disclosed to the county.

(6) In the event of a preliminary criminal investigation of a county owned or operated program, the department has the option, but is not required, to notify the county when the department commences or concludes a preliminary criminal investigation.

(7) This section does not limit the voluntary or otherwise legally mandated or contractually mandated sharing of information between the department and a county of information on an audit or investigation of a Drug Medi-Cal provider.

(8) "Commenced" means the time at which a complaint or allegation is assigned to an investigator for a field investigation.

(9) "Preliminary criminal investigation" means an investigation to gather information to determine if criminal law or statutes have been violated.

(l) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department, without taking any further regulatory action, may implement, interpret, or make specific this section, in whole or in part, by means of bulletins or similar instructions, until the time that any necessary regulations are adopted.

(m) The department shall adopt regulations necessary to implement this section by July 1, 2023.

(n) This section shall be implemented to the extent that any necessary federal approval of state plan amendments or other federal approvals, including waivers, are obtained, and federal financial participation is available and not otherwise jeopardized.

(Amended by Stats. 2021, Ch. 615, Sec. 453. (AB 474) Effective January 1, 2022. Operative January 1, 2023, pursuant to Sec. 463 of Stats. 2021, Ch. 615.)

14124.25. Service providers may assist Medi-Cal beneficiaries, upon request, to file a fair hearing request in accordance with Chapter 7 (commencing with Section 10950) of Part 2, or may inform Medi-Cal beneficiaries enrolled in Medi-Cal managed care plans about the Department of Managed Health Care's toll-free telephone number for health care service plan members or the department's ombudsman for Medi-Cal beneficiaries enrolled in a Medi-Cal managed care plan.

(Added by Stats. 2012, Ch. 36, Sec. 80. (SB 1014) Effective June 27, 2012. Operative July 1, 2012, by Sec. 83 of Ch. 36.)

14124.26. (a) Except as provided in subdivisions (b) and (c), regulations adopted by the State Department of Alcohol and Drug Programs pursuant to former Sections 11758.40 to 11758.47, inclusive, of the Health and Safety Code shall remain in effect unless amended or repealed by regulation adopted pursuant to this article.

(b) Notwithstanding the rulemaking provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, for purposes of the Drug Medi-Cal Treatment Program, the department may implement, interpret, or make specific this article to the extent that this article differs from former Sections 11758.40 to 11758.47, inclusive, of the Health and Safety Code by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions from the department until regulations are adopted pursuant to that chapter of the Government Code.

(c) (1) The department shall adopt emergency regulations no later than July 1, 2014. The department may subsequently readopt any emergency regulation authorized by this section that is the same as or is substantially equivalent to an emergency regulation previously adopted pursuant to this section.

(2) The initial adoption of emergency regulations implementing this article and the one readoption of emergency regulations authorized by this subdivision shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. Initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be exempt from review by the Office of Administrative Law. The initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and each shall remain in effect for no more than 180 days, by which time final regulations may be adopted.

(Added by Stats. 2012, Ch. 36, Sec. 80. (SB 1014) Effective June 27, 2012. Operative July 1, 2012, by Sec. 83 of Ch. 36.)

14124.29. (a) If the department seeks a waiver pursuant to subdivision (a) of Section 14021.35, the department shall pursue federal approvals to address the need for greater capacity in both short-term residential treatment facilities and hospital settings for short-term voluntary inpatient detoxification, including, but not limited to, licensed chemical dependency recovery hospitals.

(b) Nothing in this section shall be construed to limit the authority of the department pursuant to Section 14021.35.

(c) This section shall be implemented only to the extent federal approvals are obtained and to the extent that federal financial participation is available.

(Added by Stats. 2014, Ch. 486, Sec. 2. (SB 1161) Effective January 1, 2015.)