POLICY: EXPENDITURE OF SUBSTANCE ABUSE PREVENTION AND TREATMENT BLOCK GRANT (SABG)

I. PURPOSE:

The purpose of this policy is to ensure funds from the Substance Abuse Prevention and Treatment Block Grant (SABG) are expended in accordance to Title 45 Code of Federal Regulations, including serving as the payment of last resort for services for Pregnant and Parenting Women, Tuberculosis, and HIV. SABG funding may be used to: fund priority treatment and support services for individuals without insurance or for whom coverage is terminated for short periods of time; fund those priority treatment and support services that demonstrate success in improving outcomes and/or supporting recovery that are not covered by Medicaid, Medicare, or private insurance; fund primary prevention by providing universal, selective, and indicated prevention activities and services for persons not identified as needing treatment; collect performance and outcome data to determine the ongoing effectiveness of behavioral health promotion, treatment, and recovery support services.

II. REFERENCES:

Title 45 CFR, Sections 96.135 and 96.137
State-County SABG Contract
DHCS SABG Policy Manual
DHCS Funding Hierarchy Matrix

III. POLICY:

It is the policy of the Division of Behavioral Health and Recovery Services (BHRS) that SABG funds are not to be expended on the following:

1) Provision of in-patient hospital substance abuse services, except in cases when each of the following conditions are met:
   (a) The individual cannot be effectively treated in a community-based, non-hospital, residential program;
   (b) The daily rate of payment provided to the hospital for providing the services does not exceed the comparable daily rate provided by a community-based, non-hospital, residential treatment program;
   (c) A physician makes a determination that the following conditions have been met:
The primary diagnosis of the individual is substance abuse, and the physician certifies that fact;

ii. The individual cannot be safely treated in a community-based, non-hospital, residential treatment program;

iii. The service can reasonably be expected to improve the person's condition or level of functioning;

iv. The hospital-based substance abuse program follows national standards of substance abuse professional practice.

(d) The service is provided only to the extent that it is medically necessary (e.g., only for those days that the patient cannot be safely treated in a residential, community-based program).

2) To purchase or improve land; purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

3) To satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of Federal funds;

4) To provide financial assistance to any entity other than a public or nonprofit, private entity;

5) To make payments to intended recipients of health services;

6) To provide treatment services in penal or correctional institutions of the State;

7) To provide individuals with hypodermic needs or syringes;

8) To pay salaries to County or provider staff in excess of Level I of the Federal Senior Executive pay scale.

It is also the policy of the BHRS to use SABG funding as the "payment of last resort" for services for Pregnant and Parenting Women, Tuberculosis, and HIV. This policy is in accordance with Title 45, code of Federal Regulations, Part 96, Section 96.137 which states: The Block Grant money that may be spent for Sections 96.124(c) and (e), 96.127 and 96.128 is governed by this section which ensures that the block grant will be the "payment of last resort."

Any treatment services provided with SABG funds must follow the treatment preferences established in 45 CFR 96.131: 1. Pregnant IVDUs; 2. Pregnant substance abusers; 3. IVDUs; and 4. All other eligible individuals.

In addition, the County shall ensure that redirected funds, including interest, are restricted to the purpose of the original allocation in compliance with conditions regarding State/County Contract funds.
AUTHORITY/RESPONSIBILITY:

Contract Managers
Alcohol and Drug Administrator
BHRS Director
HHS Office of Finance

V. PROCEDURE:

The County ensures that the County and its contractors receiving funding under the State-County SABG Contract comply with requirements of funding sources and applicable laws and regulations through the below methods.

1. The entities that receive funding under SABG and provide services required by the above-referenced sections shall make every reasonable effort, including the establishment of systems for eligibility determination, billing, and collection, to:
   
   a. Collect reimbursement of the costs of providing such services to persons who are entitled to insurance benefits under the Social Security Act, including programs under title XVIII and title XIX, any State compensation program, any other public assistance program for medical expenses, any grant program, any private health insurance, or any other benefit program; and
   b. Secure from patient or client payments for services in accordance with their ability to pay.

2. Contracted providers shall submit annually policies and procedures for ensuring SABG is the payment of last resort, including the sliding fee schedule which must be approved by the County Alcohol and Drug Administrator.

3. County-operated and contracted providers shall maintain documentation verifying that the beneficiary does not meet eligibility requirements for other funding streams (e.g. Medi-Cal).

Contractor compliance with this policy shall be achieved through:

1. Distribution of the Clinic and Administrative Practice Guidelines and Contractor Manual annually at contract renewal, which includes a section outlining the Title 45 CFR regulations regarding appropriate block grant expenditures.
2. Approval of contract as to form and legal affect by county counsel.
3. Signature of Contractor on contract agreeing to all conditions set forth in the contract.
4. Approval and execution of contract by the County Board of Supervisors, County Administrator or authorized designee.
5. Annual fiscal monitoring of contractor by County fiscal staff, including review of annually submitted cost report.
6. Annual completion of Self Audit by Contractor, and subsequent review by BHRS Contract Manager, including Contractor’s signed attestation of adherence to all laws and regulations.

7. At annual Site Visit, Contract Manager shall review contractor policy and procedures regarding use of SABG and Payment of Last Resort, including establishing and maintaining a system of determining eligibility, billing appropriate and eligible funding sources, and procedures for the collection of client fees in accordance with their ability to pay.

8. At annual Site Visit, Contract Manager will review a sample of client charts to review documentation related to verification of eligibility, fee agreements and billing appropriate and eligible funding sources.

County-operated services compliance with this policy shall be achieved through:

1. Approval of State-County SABG Contract by Board of Supervisors or authorized designee agreeing to all conditions set forth in the contract.

2. Attestation to compliance with expenditure of SABG requirements at the annual DHCS Monitoring review.

3. Annual completion of the Self Audit, including County Alcohol & Drug Administrator’s signed attestation of adherence to all laws and regulations.

4. At annual Site Visit, BHRS Quality Management shall review policy and procedures regarding Payment of Last Resort, including establishing and maintaining a system of determining eligibility, billing appropriate and eligible funding sources, and procedures for the collection of client fees in accordance with their ability to pay.

5. At annual Site Visit, BHRS Quality Management shall review a sample of client charts to review documentation related to verification of eligibility, fee agreements and billing appropriate and eligible funding sources.

6. Annual fiscal monitoring by County fiscal staff, including preparation and review of annual cost report.
BHRS
Checklist for New or Revised Policies and Procedures

Please submit this checklist to the BHRS Policy and Procedure Working Group Lead along with the first draft copy of your policy and accompanying documents.

Date of initial submission: 1/28/2021

Type of Update:
☐ New – Justification:
☒ Revision to Existing Policy or Procedure, Policy Number:

Complete Title of Policy: Use of SABG Policy

Lead Staff Name / Subject Matter Expert: Cat Condon

Other Staff Involved in Drafting of Policy:

System(s) of Care Affected: ☐ ALL BHRS ☐ Mental Health Only ☒ SUDS only

1. For new policies, summarize what the policy covers and explain the need for a new policy.
   OR
   For revised policies, summarize the changes that need to be made to the existing policy:
   Merged 14 (Payment of Last Resort) and 15 (Use of SABG). Minor updates to referenc

2. List any existing governmental regulations that relate to policy or state “None”:
   Substance Use Prevention and Treatment Block Grant (SABG)

3. Describe how policy will impact consumer access to care or state “N/A”:
   N/A - No changes to previous policy

4. Have you compared this policy to similar policies in other counties? ☐ Yes ☒ No
   If so, list counties whose policies were reviewed:

5. Will this policy require staff training? ☐ Yes ☒ No
   If so, indicate what staff will need to be trained and what training will be needed.

6. Will forms need to be developed or revised for this policy or policy update? ☐ Yes ☒ No
   If so, list forms that will need to be developed or revised (please list form number if available):

7. Describe any other changes that will need to be made in Behavioral Health (financial, consumer care, etc.) as a result of this policy:
   No new changes
8. Who needs to review this policy?
   BHRS staff: Jei Africa

   Other County Staff:

   Community partners: