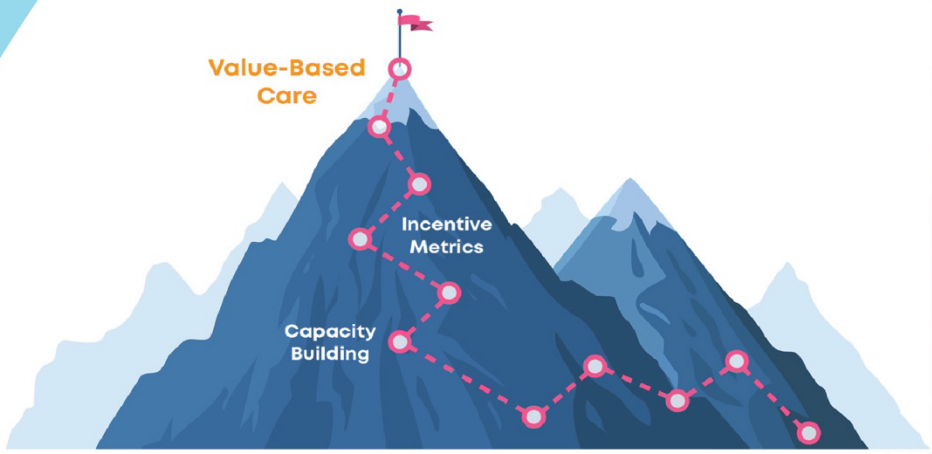


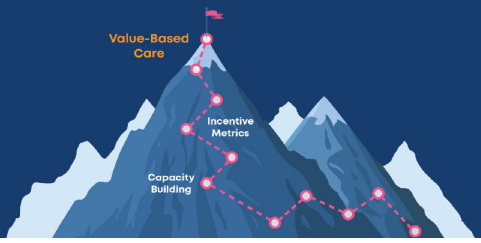
Fiscal Year (FY) 2023-2024

Payment Reform: Capacity Building Package

April 2024 | Version 2.0

SAPC | Substance Abuse Prevention and Control

County of Los Angeles Public Health



Fiscal Year (FY) 2023-2024

PAYMENT REFORM: CAPACITY BUILDING PACKAGE

The Los Angeles County Department of Public Health's Substance Abuse Prevention and Control Bureau (DPH-SAPC) funded capacity building efforts in FY 2016-2017 to prepare the substance use disorder (SUD) treatment system for substantial changes arising out of participation in the Drug Medi-Cal Organized Delivery System (DMC-ODS). With the continued transformation expected under the California Advancing and Innovating Medi-Cal (CalAIM) Initiative and the movement towards value-based care under payment reform, as well as increased training requirements for substance use disorder (SUD) counselors in 2025 with AB 2473, DPH-SAPC is embarking on another round of optional ***capacity building*** *efforts to support its provider network with development in the following areas:*

1. *Workforce Development: Recruitment, Retention and Training*
2. *Access to Care: Reaching the 95%*
3. *Fiscal and Operational Efficiency: Revenue and Expenditure Management*

Agencies can choose to participate in any or all of the following efforts. *However, DPH-SAPC strongly encourages full participation since the funding may assist in meeting related Incentive Metrics and drawing down those additional payments as well. Visit the SAPC Payment Reform Initiatives webpage for up-to-the moment information!*

What is capacity building?

- **Funds that DPH-SAPC pays a treatment provider either in advance to ensure start-up funds to do something or after the fact (i.e., deliverable-based) to compensate a treatment provider for completing something. Capacity building is designed to help prepare providers to meet select metrics and maximize a supplemental incentive payment. Providers need to verify expenditures or submit a deliverable for full payment.**

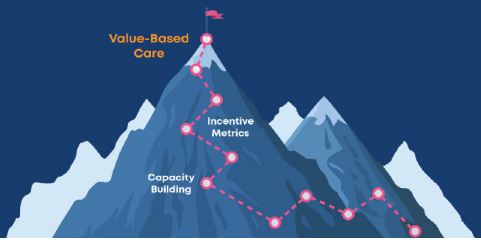
What are incentives?

- **Funds that DPH-SAPC pays a treatment provider after achieving a performance metric associated with the incentive payment. Providers need to verify completion and submit relevant data for full payment. Providers keep all funds if the metric is met and do not submit expenditure verification. The funds can be used to reinvest in the program as needed, including to support activities associated with the metric.**
  Refer to the "Payment Reform: Incentive Package" for more information on available Incentives.

Note: Capacity building payments will be distributed through your DMC-ODS Contract, therefore, notify DPH-SAPC Contracts and Compliance if a contract augmentation is needed to support participation. DPH-SAPC will follow its pre-established contract augmentation process and provider agencies will need to provide information on what efforts you plan to participate in to determine the augmentation amount.

The following is a description of available capacity building efforts.

County of Los Angeles Public Health



PAYMENT REFORM: CAPACITY BUILDING PACKAGE

Capacity Building Category: Workforce Development

Description: DMC-ODS and CalAIM initiatives transformed the specialty SUD service system for Medi-Cal clients and continue to increase expectations for the workforce in the form of higher clinical, documentation, and outcome standards. DPH-SAPC has prioritized workforce development as a central component to advancing the SUD field and moving towards parity with physical and mental health systems.

- Over 80% of LAC's SUD workforce are counselors, 50% of them are registered and 30% certified (licensed clinicians comprise the bulk of the remaining workforce).
- California has the lowest educational training hour requirement for SUD counselors in the United States.
    - 9 hours (1 - 2 days) of training allows registered counselors to deliver direct services, however, this increases with the implementation of AB 2473 to the minimum training standard set for peer specialists (80 hours [2 weeks]) in 2025.
- Agencies report counselors cannot afford the cost of tuition or to take time off from work to complete coursework and often do not finish before the 5-year deadline.
- Workforce surveys indicate counselors leave the field for higher paying and/or less stressful jobs in retail and food service, further impacting the workforce shortage.

DPH-SAPC's capacity building funds are designed to address the above challenges and better ensure that staff are prepared to work with an increasingly complex patient population and a specialty SUD treatment environment where outcomes will be central to future reimbursement models.

Why Participate in Workforce Capacity Building Efforts? Your agency will get additional funding to support your counselor workforce. Your participation is mutually beneficial:

- ***Counselors*:** Receive tuition assistance, paid time-off to complete coursework, and/or obtain expedited certification to increase skills to provide effective treatment.
- ***Agencies*:** Reduce turnover and associated recruitment and onboarding costs and receive increased outpatient rates when counselors become certified.

In addition, participation in these efforts should improve your ability to meet Incentive 1-a Metric:
At least 40% of SUD counselors providing direct services are certified SUD counselors - Tier 1 - $30,000 * Tier 2 - $45,000 * Tier 3 - $60,000 (see Payment Reform: Incentive Package for more information)

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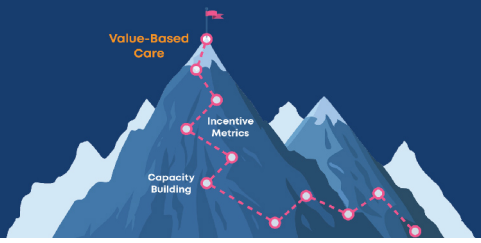

PAYMENT REFORM: CAPACITY BUILDING PACKAGE

Workforce Development Capacity Building payments and associated deliverables are described in Table 1 below.

Table 1: Workforce Development Capacity Building Summary

#	Description	Due Date	Max Units	Payment Per Unit	Total Maximum Revenue Potential	Max SAPC Spend All 84 Contractors
1A – Agency-Level Survey on Workforce						
1A-1	Agency Survey *(*required to participate in the capacity building category)*	8/30/2023	1	Tier 1 - $10,000 Tier 2 - $15,000 Tier 3 - $20,000	**Tier 1 - $10,000** **Tier 2 - $15,000** **Tier 3 - $20,000**	**$1,115,000**
1B – Staff-Level Survey on Workforce						
1B-1	Staff Survey Summary	2/29/2024	1	Tier 1 - $5,000 Tier 2 - $7,500 Tier 3 - $10,000	**Tier 1 - $5,000** **Tier 2 - $7,500** **Tier 3 - $10,000**	**$557,500**
1C – Workforce Development and Retention Plan						
1C-1	Sustainability Plan	6/30/2024	1	Tier 1 - $20,000 Tier 2 - $30,000 Tier 3 - $40,000	**Tier 1 - $20,000** **Tier 2 - $30,000** **Tier 3 - $40,000**	**$2,230,000**
1D – Counselor Expedited Training and Certification						
1D-1	Tuition/Paid Time Off	6/30/2025	# registered counselors*	Tier 1 - $2,500pp Tier 2 - $2,500pp Tier 3 - $2,500pp	**Varies based on Participation**	**$3,500,000 (estimated)**
1D-2	Certification Obtained	6/30/2025	# registered counselors*	Tier 1 - $2,500pp Tier 2 - $2,500pp Tier 3 - $2,500pp		
1E- Addiction Medication (MAT) Prescribing Clinician						
1E-1	Approved Implementation Plan	4/19/2024	1	Tier 1 -$150,000* Tier 2 -$150,000* Tier 3 -$150,000*	**Varies based on Participation**	**$15,000,000 (estimated)**
1E-2	Clinician Staffing and Hours Verified	6/30/2025	1	Tier 1 -$50,000** Tier 2 -$50,000** Tier 3 -$50,000**	**Varies based on Participation**	
Start-up funding is available to all SAPC-contracted treatment agencies at a ratio of $200,000 per 40 hours per week of MAT prescribing clinician time, distributed as 75%* in Year I and 25%** in Year 2						
Minimum Agency Revenue Opportunity with Full Participation *For your agency potential calculate based on total number of SAPC-credentialed Sage-users who are registered counselors delivering direct services				**Tier 1** **$185,000 +1D-1 + 1D-2** **Tier 2** **$252,500 +1D-1 + 1D-2** **Tier 3** **$270,000 +1D-1 + 1D-2**		
Maximum County (SAPC) Contribution with Full Participation *Calculated based on total number of SAPC-credentialed Sage-users who are registered counselors delivering direct services as of 3/22/23						**$$22,402,500**

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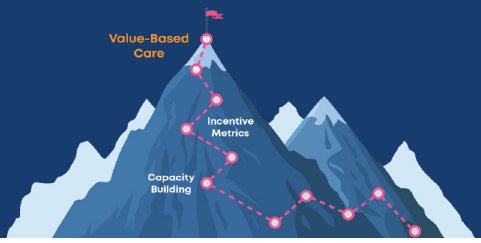

Fiscal Year (FY) 2023-2024

PAYMENT REFORM: CAPACITY BUILDING PACKAGE

Capacity Deliverable 1A	Agency-Level Survey on Workforce

1A – Agency Survey: Capacity Building 1A is designed to better understand your agency's strategy for workforce recruitment and retention across all direct service classifications – LPHAs, counselors and peers. This survey[1] will be designed by DPH-SAPC, with input from its provider network.

Once the survey data is collected and summarized (without agency identifiers), DPH-SAPC will conduct optional listening sessions and collaborative opportunities if providers would like to work together to discuss which recruitment and retention strategies have been the most successful and why others may not have been less successful; how capacity and DMC rates revenue can support sustainability of salary, benefits, and other compensation efforts; and how the SUD system can continue to push to be competitive and resist loss of workforce to other sectors (e.g., livable wage).

Note: Participation in optional sessions are ways for providers to reinvest capacity building payments and defray costs for staff who would otherwise be providing direct services.

Why Participate? Your agency will be provided a summary of your survey results to use as a baseline for developing your sustainability plan. Collectively, the data will provide SAPC with baseline information on the SUD workforce in LAC to design more strategic and needed capacity building efforts, if possible, in the future.

Capacity Building 1A Payment: This project is deliverable-based. Providers will be paid after the survey is submitted and deemed complete. Complete and submit the invoice below and attach the deliverable by the due date for payment. Expenditure verification is not required.

*NOTE: **1A-1 is required to participate in other workforce capacity building efforts**.*

1A-1. Submit complete response to agency-level survey - one per treatment agency
*Tier 1 - $10,000, Tier 2 - $15,000, Tier 3 - $20,000. Required (Due: **8/30/23**)*

Capacity Deliverable 1B	Staff-Level (Practitioner) Survey on Workforce

1B – Staff Survey: Capacity Building 1B is designed to learn more from your direct service staff – LPHAs, counselors, peers – to strengthen workforce recruitment and retention. A sample survey[2] will be developed and providers can use this version or adapt it to agency-specific needs.

[1] Agency survey questions may focus on gaining foundational knowledge on the current salary, benefits, and other compensation strategies of network providers; what new strategies are being considered to address workforce shortage and retention issues; and support capacity building of staff to be able to deliver value-based care now and in the future.

[2] Staff survey questions may include topics such as what support and training staff need to achieve current work expectations and help patients achieve their personal goals, what compensation (salary, benefits, training reimbursement, tuition reimbursement, retirement accounts etc.) options are most valuable and would contribute to longer retention or expedited completion of education/training requirements; what would support completion of counselor certification more quickly and what is needed to support recertification; and other feedback to inform workforce development and improvement.

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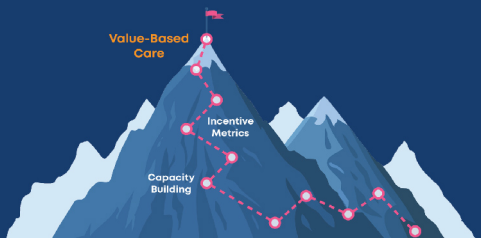


PAYMENT REFORM: CAPACITY BUILDING PACKAGE

Why Participate? Your agency will learn directly from your staff what is most important to them and what would be helpful to support their long-term career with your organization.

Capacity Building 1B Payment: This project is deliverable-based. Providers will be paid after the survey summary is submitted and deemed complete. Complete and submit Invoice 2: Deliverable-Based Efforts and by the due date for payment. Expenditure verification is not required. As an example, funds could be used to provide gift cards to staff who complete the survey.

1B-1. Submit summary response to staff-level survey - one per treatment agency.
*Tier 1 - $5,000, Tier 2 - $7,500, Tier 3 - $10,000. (Due: **2/29/24**)*

Capacity Deliverable 1C	Workforce Development and Retention Sustainability Plan

1C – Plan: Capacity Building 1C is designed to build a long-term workforce development and retention sustainability plan at your agency-level that incorporates an enhanced compensation package (salary, benefits, training reimbursement, tuition reimbursement, retirement accounts, bilingual bonus, etc.). The plan should be sustainable over multiple years and be informed by current costs to operate compared to revenue from DMC rates, and whether operational costs could be streamlined or reallocated to enable greater investment in direct service staff. It should also consider how upstream investments in the workforce will or will not contribute to increased revenue opportunities downstream through improved patient retention and reduced overhead costs due to staff turnover.[3,4] It should also identify if/how participation in 1D and/or other workforce retention efforts will be sustained after FY 2023-2024.

DPH-SAPC, in partnership with its vendor(s), will conduct optional workshops if providers would like to collaborate with their peers and leverage expertise of organizations who implemented similar efforts already. A template plan will also be developed to ensure key components are addressed.

Note: Participation in optional sessions are ways for providers to reinvest capacity building payments and defray costs for staff who would otherwise be providing direct services.

Why Participate? Your agency will address key reasons why your registered counselor workforce struggles with becoming certified and/or develop a more competitive salary/benefits package to increase workplace satisfaction and reduce turnover. You will determine how higher DMC rates can be reinvested in workforce retention strategies, especially in outpatient settings as newly certified counselors help you draw down an estimated $10,745 more in annual revenue.[3,4]

[3] SAPC structured its outpatient rates to recognize the increased cost and value of the certified counselor workforce (e.g., ASAM 1.0 current rate = $182.44/hr, new Tier 1 registered counselor rate = $196.48/hr, new Tier 1 certified counselor rate = $206.32/hr). Therefore, every certified counselor will bring in approximately $10,745 more per year than a registered counselor, and that revenue can be used to reinvest into a more robust salary and benefits compensation package that will support retention efforts and reduce turnover.

[4] Revenue potential for a certified counselor is calculated based on the difference between the new registered and certified counselor rates and ($9.84 per hour) and minimum productivity (60%) for standard work hours per year excluding time off (1,820 hours). This figure will vary at the agency level depending on each certified counselor's productivity and actual time off.

Capacity Building 1C Payment: This project is for start-up funds. Providers will be paid before the sustainability plan is developed. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation attesting to your commitment to participate. Submit the viable sustainability plan by the due date to avoid recoupment. Expenditure verification is not required.

1C-1. Submit attestation to complete viable workforce development and retention sustainability plan - one per treatment agency. *Tier 1 - $20,000, Tier 2 - $30,000, Tier 3 - $40,000.* *(Due: **2/29/24**)*

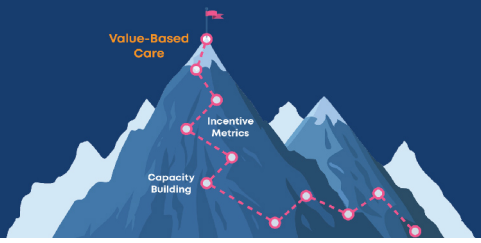
Note: If you did not submit an attestation but completed Capacity Deliverables 1A-1B and wish to participate, you can do so by completed the deliverable above and submitting Invoice 2: Deliverable Based with the sustainability plan by June 30, 2024.

Capacity Deliverable 1D	Expedited Counselor Training and Certification

1D – Counselors: The counselor profession delivers over 80% of direct services in LA County's specialty SUD treatment system. They often come to the field with valuable life experiences that enable them to effectively relate to the patients served and which can be enhanced through completion of coursework and training hours earlier in their career. Given their essential role in the SUD service delivery system and increasing competition for them to take positions in other related and unrelated fields, it is critical to demonstrate their value through enhanced compensation. Capacity Building 1D provides an opportunity for agencies to jumpstart their future investment now through this time-limited financial support.

Capacity Building 1D supports registered SUD counselors credentialed by DPH-SAPC and employed by agencies as of April 1, 2023, to expedite completion of certification coursework and training hours as this is a key way to ensure the field has the skills to treat patients with complex health needs and prepare for value-based care. It is also an important step in valuing the professionalism of the SUD field's primary workforce and demonstrating that LA County believes in raising standards and opportunities for counselors and will continue to take steps to elevate this as a priority in California. This also enables agencies to support registered counselors hired before AB 2473 takes effect to obtain the 80-hours of core competencies[5] and validate the importance of understanding these topics in the delivery of care even when not mandated.

[5] AB 2473 Core Competencies: (A) knowledge of the current Diagnostic and Statistical Manual of Mental Disorders; (B) knowledge of the American Society of Addiction Medicine (ASAM) criteria and continuum of ASAM levels of care, or other similar criteria and standards as approved by the department; (C) cultural competence, including for people with disabilities, and its implication for treatment; (D) case management; (E) utilization of electronic health records systems; (F) knowledge of medications for addiction treatment; (G) clinical documentation; (H) knowledge of cooccurring substance use and mental health conditions; (I) confidentiality; (J) knowledge of relevant law and ethics; (K) understanding and practicing professional boundaries; and (L) delivery of services in the behavioral health delivery system.



PAYMENT REFORM: CAPACITY BUILDING PACKAGE

Why Participate? For a limited time, SAPC will jumpstart your counselor workforce investments by advancing you a significant portion of the tuition costs and/or paid time off to attend classes for all your registered counselors employed as of April 1, 2023. For every registered counselor who becomes certified, you will increase your future outpatient revenue by an estimated $10,745 annually.[3,4] More certified counselors should also help you meet future value-based care metrics.

Capacity Building 1D Payment:

Project 1D-1 is for start-up funds. Providers will be paid before the registered counselor attends classes to enable the agency to pay the employee for tuition/book costs and/or paid time off. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation attesting to your commitment to participate on behalf of the specified registered counselors and affirming that funds will solely be used to either reimburse for education costs and/or provide paid time off to attend classes. 1D-1. Submit attestation to financially support costs for registered counselors to complete certification coursework – $2,500 per SAPC-credentialed direct service registered counselor employed as of April 1, 2023. *Tier 1 - $2,500pp, Tier 2 - $2,500pp, Tier 3 - $2,500pp. (Due: **7/31/2023**)*

Note: If you did not submit an attestation by 7/31/2023, and wish to participate, you can do so by completed the deliverable below and submitting Invoice 2: Deliverable Based by June 30, 2025.]

Project 1D-2 is deliverable-based. Providers will be paid after staff certification and appropriate education costs and/or paid time off verification is submitted and deemed complete. Complete and submit Invoice 2: Deliverable-Based Efforts and attach the deliverable by the due date for payment.

1D-2. Verify that registered counselor(s) passed the certification exam between 7/1/23 and 6/30/25 – $2,500 per SAPC-credentialed direct service registered counselor employed as of April 1, 2023. *Tier 1 - $2,500pp, Tier 2 - $2,500pp, Tier 3 - $2,500pp. (Due: **6/30/25**)*

Capacity Deliverable 1E	Addiction Medication (MAT) Prescribing Clinician

1E –(New) MAT Prescribing Clinicians- Capacity Building 1E provides a cost-sharing opportunity alongside treatment agency's own financial investments to recruit, retain, and utilize medical clinicians, as members of the agency's treatment team to provide medication services- also known as medications for addiction treatment (MAT)- directly to patients served by SAPC contracted agencies and paid via claims to SAPC. Funds may be used for organizational investments to implement this benefit, including seeking approval of Incidental Medical Services (IMS) from the California Department of Health Care Services for residential settings. Approval required for MAT Prescribing Clinician Start-Up Cost Sharing Implementation Plan.

Implementation Plan Documentation:
There are two versions of the MAT prescribing clinician implementation plan; one for treatment agencies who offer levels of care other than Opioid Treatment Program (OTP) services and the

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other for agencies who exclusively offer OTP services. Agencies should only submit one version of implementation plan that corresponds with their level(s) of care:

- 1E Implementation Plan MAT Prescribing Clinician Start-Up Cost Sharing – Non-OTP
- 1E Implementation Plan MAT Prescribing Clinician Start-Up Cost Sharing – OTP-only

*Start-up funding is available to all SAPC-contracted treatment agencies at a ratio of $200,000 per 40 hours per week of MAT prescribing clinician time, distributed as 75% in Year I and 25% in Year 2:

Example: 40 hours/week of addiction medication prescribing clinician time (totaling $200,000):

-$150,000 provided during Year 1 (FY23-24)
-$50,000 provided 40 hours/week during Year 2 (FY24-25)

Example: 20 hours/week of addiction medication prescribing clinician time (totaling $100,000):

-$75,000 provided during Year 1 (FY23-24)
-$25,000 during Year 2 (FY24-25)

Implementation Plan Requirements: An implementation plan that describes agency plans to integrate a physician, advanced practice registered nurse, or physician assistant into the agency's workforce and/or expanding the number of hours an agency's existing medical clinician's provide addiction medication services to patients; provision of the full range of applicable addiction medical services as described in http://publichealth.lacounty.gov/sapc/bulletins/START-ODS/24-01/SAPC-Information-Notice-24-01-Addiction-Medication-Access-in-SAPC-Treatment-Network.pdf; Methadone cannot be prescribed through pharmacies- not OTP clinicians are not expected to provide treatment with methadone directly; prescribing clinician registration through PAVE as a SAPC-contracted agency practitioner; medical evaluation and management care provided in person, via telehealth or via phone based on patient's clinical needs, but 20% of agency's designated total number of medical clinic hours claims are required to be provided in-person and on-site at one of more of the agency's treatment sites; Medical care provided to patients who are off-site can proceed in person with Field Based Services (FBS) approval of sites who meet criteria as outlined in SAPC Information Notice 23-14 for FBS. *Since scope of practice of clinical pharmacists does not include diagnosing substance use disorders, clinical pharmacists do not independently meet clinician requirements.

Review Capacity Building-Workforce Development 1E webpage for details

Capacity Building 1E Payment:

Project 1E-1 is for start-up funds. Providers will be paid following SAPC's approval of a (MAT) prescribing clinician implementation plan submitted via email to sapc-cbi@ph.lacounty.gov with subject line: "1E Addiction Medication (MAT) Prescribing Clinician Implementation Plan" with the completed and signed Invoice 1: Capacity Building for up to 75% funds disbursement regardless of tier level. *(Due: 4**/19/24**)*

Project 1E-2 is deliverable-based. Providers will be paid once implementation is completed and quarterly updates and verification of addiction medication (MAT) prescribing clinician staffing is deemed complete. Complete and submit Invoice 2: Deliverable-Based Efforts and attach verification by the due date for payment.

1E-2. Verify addiction medication (MAT) prescribing clinician staffing and quarterly updates received in accordance with implementation plan for up to 25% fund disbursement regardless of tier level. *(Due: **6/30/25**)*

Capacity Building Category: Access to Care – Reaching the 95% (R95)

Description: SUD systems are serving about 5% of people who need treatment because the other 95% of people who need SUD treatment either don't think they need it or don't want it. The R95 Initiative is designed to:

- Ensure that DPH-SAPC designs a specialty SUD system that is focused not **just** on the ~5% of people with SUDs who are already receiving and open to treatment, but also the ~95% of people with SUDs who do not receive treatment for any reason; and
- Communicate – through words, policies, and actions – that people with SUD are worthy of our time and attention, no matter where they are in their recovery journey, including if they haven't even started it yet.

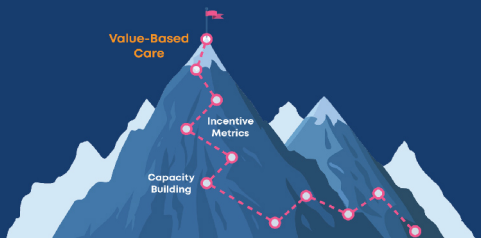
Under the R95 Initiative, there are 6 Capacity Building Options in two Focus Areas that agencies can participate in and seek to draw down by meeting specified benchmarks and activity-related deliverables:

- Focus Area 1: Outreach and engagement
- Focus Area 2: Establishing low barrier care

Why Participate in Access to Care – R95 Capacity Building Efforts? Your agency will get additional funding to adapt program services to serve more people and draw-down more revenue.
Your participation is mutually beneficial:

- ***Patients*:** Obtain needed and desired services before they are ready for abstinence and so they have the opportunity to consider all recovery options from your skilled staff.
- ***Agencies*:** Provide tailored services that meet individual patient needs and preferences and can draw-down additional revenue for the expanded patient population.

In addition, participation in these efforts should improve your ability to meet Incentive 2-a Metric: ***Become a R95 Champion by completing all components of Capacity Building Efforts 2C-1, 2C-2, 2D-1 and 2D-2, and at least one other effort - Tier 1 - $30,000 * Tier 2 - $45,000 * Tier 3 - $60,000***



PAYMENT REFORM: CAPACITY BUILDING PACKAGE

To participate in the Access to Care – R95 Capacity Building package, agencies must complete 2C-2, 2D-1, and 2D-2 at minimum. This includes updated Admission and Discharge Policies and Procedures (2D-1, 2D-2) which are explicitly inclusive of a plan to engage patients at various stages in their recovery including those who are not yet ready for abstinence and who have, not fewer than, one UM approved 30- to 60-Day Engagement authorizations (2C-2) for non-residential levels of care where there was a documented need for counseling services to support patient readiness to participate in the full ASAM assessment, and where the ASAM assessment was successfully completed within the engagement authorization period.

Access to Care – R95 Capacity Building payments and associated deliverables are in Table 2 below.

Table 2: Access to Care – Reaching the 95% (R95) Capacity Building Summary

#	Description	Due Date	Max Units	Payment Per Unit	Total Maximum Revenue Potential	Max SAPC Spend All 84 Contractors
2A – Preparation and Planning for Outreach and Engagement						
2A-1	New Partner Entity Meetings	2/29/24	10	Tier 1 - $1,000	**Tier 1 - $10,000**	**$2,984,500**
			15	Tier 2 - $1,000	**Tier 2 - $15,000**	
			20	Tier 3 - $1,000	**Tier 3 - $20,000**	
2A-2	New Partnership Plan	1/12/24	1	Tier 1 - $3,000	**Tier 1 - $3,000**	
				Tier 2 - $4,500	**Tier 2 - $4,500**	
				Tier 3 - $6,000	**Tier 3 - $6,000**	
2A-3	New Executed MOU	3/31/24	3	Tier 1 - $5,000	**Tier 1 - $15,000**	
			4	Tier 2 - $5,000	**Tier 2 - $20,000**	
			5	Tier 3 - $5,000	**Tier 3 - $25,000**	
2B – Field-Based Services for Outreach and Engagement						
2B-1	New Executed MOU	3/31/24	3	Tier 1 - $5,000	**Tier 1 - $15,000**	**$2,092,500**
			4	Tier 2 - $5,000	**Tier 2 - $20,000**	
			5	Tier 3 - $5,000	**Tier 3 - $25,000**	
2B-2	Verified Claims	6/30/24	10	Tier 1 - $500	**Tier 1 - $5,000**	
			15	Tier 2 - $500	**Tier 2 - $7,500**	
			20	Tier 3 - $500	**Tier 3 - $10,000**	
2C – 30- and 60-Day Engagement Period for Outreach and Engagement						
2C-1	Engagement Policy	2/29/24	1	Tier 1 - $5,000	**Tier 1 - $5,000**	**$1,115,000**
				Tier 2 - $7,500	**Tier 2 - $7,500**	
				Tier 3 - $10,000	**Tier 3 - $10,000**	
2C-2	*Verified Engagement Auths *(*required to participate in the capacity building category)*	6/30/24	10	Tier 1 - $500	**Tier 1 - $5,000**	
			15	Tier 2 - $500	**Tier 2 - $7,500**	
			20	Tier 3 - $500	**Tier 3 - $10,000**	
2D – Update Admission and Discharge Policies						
2D-1	*R95 Admission Policy *(*required to participate in the capacity building category)*	3/15/24	1	Tier 1 - $10,000	**Tier 1 - $10,000**	**$3,345,000**
				Tier 2 - $15,000	**Tier 2 - $15,000**	
				Tier 3 - $20,000	**Tier 3 - $20,000**	
2D-2	*R95 Discharge Policy *(*required to participate in the capacity building category)*	3/15/24	1	Tier 1 - $10,000	**Tier 1 - $10,000**	
				Tier 2 - $15,000	**Tier 2 - $15,000**	

				Tier 3 - $20,000	**Tier 3 - $20,000**	
2D-3	R95 Training Presentation	3/31/24	1	Tier 1 - $10,000 Tier 2 - $15,000 Tier 3 - $20,000	**Tier 1 - $10,000** **Tier 2 - $15,000** **Tier 3 - $20,000**	
2E – Service Design for Lower Barrier Care						
2E-1	Service Design	6/30/24	1	Tier 1 - $1,000 Tier 2 - $1,500 Tier 3 - $2,000	**Tier 1 - $1,000** **Tier 2 - $1,500** **Tier 3 - $2,000**	**$844,500**
2E-2	Customer Walk-Through	6/30/24	# sites	Tier 1 - $1,000 Tier 2 - $1,000 Tier 3 - $1,000	**Varies based on Participation**	
2E-3	Plan	6/30/24	1	Tier 1 - $5,000 Tier 2 - $7,500 Tier 3 - $10,000	**Tier 1 - $5,000** **Tier 2 - $7,500** **Tier 3 - $10,000**	
2F – Bidirectional Referrals for Lower Barrier Care						
2F-1	Executed MOU	3/31/24	3 4 5	Tier 1 - $5,000 Tier 2 - $5,000 Tier 3 - $5,000	**Tier 1 - $15,000** **Tier 2 - $20,000** **Tier 3 - $25,000**	**$2,331,250**
2F-2	Verified Claims	6/30/24	10 15 20	Tier 1 - $500 Tier 2 - $750 Tier 3 - $1,000	**Tier 1 - $5,000** **Tier 2 - $11,2500** **Tier 3 - $20,000**	
Minimum Agency Revenue Opportunity with Full Participation *For your agency potential calculate based on total number contracted sites				**Tier 1** **Tier 2** **Tier 3**	**$114,000 + 2E-2** **$163,500 + 2E-2** **$213,000 + 2E-2**	
Maximum County (SAPC) Contribution with Full Participation *Calculated based on total number of contracted sites as of 3/22/23						**$12,712,750**

Focus Area 1 – Outreach and Engagement

These interventions focus on how agencies can connect with new individuals that the provider agency is not engaging or those who did not call or show-up at a service site; and how to bring services to locations to individuals who are unsure if they want SUD treatment services and/or who may not be ready to cease all use of alcohol and/or drugs.

Capacity Deliverable 2A	**Outreach and Engagement Plan for Outreach and Engagement**

2A – Preparation and Planning: Capacity Building 2A is designed to develop and implement an outreach and engagement plan to better reach and enroll the 95% of individuals who need SUD treatment but who

are not accessing it. This plan includes the following activities at minimum:

1. Identifying where your agency receives referrals from now and how to cultivate partnerships with these settings that increase the number of referrals;
2. Identifying new community, health and social service providers in your area that serve people who otherwise may not know of your SUD services, specifically including people at different stages of readiness to change their substance use and who would benefit from services;
3. Educating partner agencies how you expanded access to services based on Focus Area 2 and what this means for new referral and service opportunities;
4. Establishing Memorandum of Understandings (MOU) with local health and social service providers to clarify bidirectional referral processes;
5. Determining how outreach is sustainable after the incentive period; and
6. How this links to work under Focus Area 2.

Why Participate? Your agency will receive new funds to divert staff from delivering direct services and instead cover some salary expenses to find and build new referral partnerships and begin to increase the number of R95 patient admissions who do not have current abstinence goals but want services. This project works best when combined with others in this category.

Capacity Building 2A Payment: This project is for start-up funds. Providers will be paid before meeting with new partners, developing the plan, and executing MOUs. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation attesting to your commitment to participate. Submit the deliverables by date the due date to avoid recoupment. Expenditure verification is not required.

2A-1. Submit attestation to meet with potential new partner entities - up to 10 per Tier 1 treatment agency; up to 15 per Tier 2 treatment agency; and up to 20 per Tier 3 treatment agency at $1,000 each. *Maximum Tier 1 - $10,000, Tier 2 - $15,000, Tier 3 - $20,000. (Due: **2/29/24**)*

2A-2. Submit attestation to complete a plan on developing / maintaining new partnerships - one per treatment agency. *Tier 1 - $3,000, Tier 2 - $4,500, Tier 3 - $6,000. (Due: **1/12/24**)*

2A-3. Submit attestation to executed MOU(s) - up to 3 MOUs different than 2B-1 and 2F-1 per Tier 1 treatment agency; up to 4 per Tier 2 treatment agency; and up to 5 per Tier 3 treatment agency at $5,000 each. *Maximum Tier 1 - $15,000, Tier 2 - $20,000, Tier 3 - $25,000. (Due **3/31/24**)*

Note: If you did not submit an attestation for start-up funds, but completed (or intend to complete) Capacity Building Deliverables 2C-2, 2D-1, and 2D-2, you can still receive capacity building funds for this deliverable by submitting Invoice 2: Deliverable Based along with the required documentation by June 30, 2024.

Capacity Deliverable 2B	Field-Based Services

2B – Field-Based Services: Capacity Building 2B can build upon relationships developed under 2A and leverages new community-based locations that already attract the focus population (individuals who need services but are not inclined to receive care at an SUD setting requiring abstinence as a condition of admission, and who may not currently have goals that include abstinence) to deliver SUD treatment services.

Why Participate? Your agency will receive new funds to divert staff from delivering direct services and instead cover some salary expenses to establish FBS sites that have a higher probability of serving individuals without current abstinence goals but who are interested in services. This project works best when combined with others in this category.

Capacity Building 2B Payment:

Project 2B-1 is for start-up funds. Providers will be paid before meeting with new partners and executing MOUs. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation attesting to your commitment to participate. Submit the MOUs by dates by the due date to avoid recoupment. Expenditure verification is not required.

2B-1. Submit attestation to complete an executed MOU and add FBS site to contract (different than 2A-3 and 2F-1) up to 3 MOUs per Tier 1 treatment agency; up to 4 per Tier 2 treatment agency; and up to 5 per Tier 3 treatment agency at $5,000 each. *Maximum Tier 1 - $15,000, Tier 2 - $20,000, Tier 3 - $25,000. (Due: **3/31/24**)*

Note: If you did not submit an attestation for start-up funds by 3/31/24, but completed (or intend to complete) Capacity Building Deliverables 2C-2, 2D-1, and 2D-2, you can still receive capacity building funds for this deliverable by submitting Invoice 2: Deliverable Based along with the required documentation by June 30, 2024.

Project 2B-2 is for deliverable-based. Providers will be paid after verification of delivery of appropriate services via claims. Complete and submit Invoice 2: Deliverable-Based Efforts and attach applicable claims by the due date for payment. Expenditure verification is not required.

2B-2. At least 6 months after signed MOU, verify claims for new admissions at FBS site up to 10 admissions per Tier 1 treatment agency; 15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at $500 each and patient cannot receive any participation incentive. *Maximum Tier 1 - $5,000, Tier 2 - $7,500, Tier 3 - $10,000. (Due: **6/30/24**)*

Capacity Deliverable 2C (Mandatory 2C-1)	30- to 60-Day Engagement Period (Non-Residential)

2C – 30 to 60 Day Engagement Period: Capacity Building 2C leverages new State allowances to establish medical necessity and complete the ASAM assessment within 30-days for adults (21+), and 60-days for youth (12-20) and adults experiencing homelessness in non-residential facilities (early intervention, outpatient, intensive outpatient, outpatient withdrawal management) in order to engage individuals who need SUD services but who may be ambivalent or not ready to receive care in a more traditional treatment setting. Not only can this be used for individuals who need more time to complete the assessment process given their individualized circumstances, but it also enables agencies to go outside of their treatment programs to engage individuals in the community and perform limited services (e.g., individual sessions, care coordination) while the individual decides whether to engage more fully at a certified or Field-Based Service site.

Why Participate? Your agency will receive new funds to determine how best to implement the 30- to 60-day engagement flexibilities and reach more R95 patients using these new tools. You will also be able to develop and conduct trainings for staff to ensure understanding of changes throughout your organization.

Capacity Building 2C Payment:

Project 2C-1 is for start-up funds. Providers will be paid before developing the engagement policy and completing staff training. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation attesting to your commitment to participate. Submit the deliverables by the due date to avoid recoupment. Expenditure verification is not required.

2C-1. Submit attestation to complete compliant engagement policy and attestation of staff notification and training - one per treatment agency. *Tier 1 - $5,000, Tier 2 - $7,500, Tier 3 - $10,000. (Due: **2/29/24**)*

Note: If you did not submit an attestation for start-up funds, but completed (or intend to complete) Capacity Building Deliverables 2C-2, 2D-1, and 2D-2, you can still receive capacity building funds for this deliverable by submitting Invoice 2: Deliverable Based along with the required documentation by June 30, 2024.

Project 2C-2 is for deliverable-based. Providers will be paid after verification of delivery of engagement policy and training, and appropriate services via claims. Complete and submit Invoice 2: Deliverable-Based Efforts and attach applicable claims by the due date for payment. Expenditure verification is not required.

*NOTE: **2C-2 is required to participate in other R95 capacity building efforts**.*

2C-2. After engagement policy approval, verify claims within the 6-month period for services provided under an approved 30-to 60-day authorization up to 10 admissions per Tier 1 treatment agency;

15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at $500 each and patient cannot receive any participation incentive. *Maximum Tier 1 - $5,000, Tier 2 - $7,500, Tier 3 - $10,000. Required (Due: **6/30/24**)*

Focus Area 2 – Establishing Lower Barrier Care Across the SUD System

These interventions focus on how agencies can more meaningfully attract and engage individuals who are not interested in or ready for complete abstinence into services by addressing barriers to care across the specialty SUD treatment system.

Capacity Deliverable 2D (Mandatory 2D-1, 2D-2)	**Update Admission and Discharge Policies to be More Inclusive of Patients at Different Points in Recovery or Who Are Not Yet Ready for Abstinence**

2D – Admission/Discharge Policies: Capacity Building 2D ensures that DPH-SAPC network providers establish more flexible admission policies that allow for enrollment of individuals at different points of their recovery, including those who are not yet ready for complete abstinence (since someone can both be interested in treatment but not yet able to maintain abstinence); establish discharge policies that do not result in an automatic discharge if clients use substances during a treatment episode and facilitate a culture of treating SUDs as chronic conditions by allowing for clients who use substances during treatment an opportunity to continue with treatment; and that direct service staff and managers are trained and adopt changes.

DPH-SAPC will conduct optional listening sessions and collaborative opportunities if providers would like to work together to get ideas on how to expand access to treatment and develop the updated admission policy. DPH-SAPC will also request admission policies from providers who are leaders in this area to share as samples with other interested agencies and in collaboration with providers conduct research and share information related to system enhancements in this area of focus, including recommendations on policy format and components.

Why Participate? Updating your policies and procedures, and training staff on the changes, are critical first steps to ensure that admissions are truly broadened to include the R95 populations and staff at the site level have clear expectations on who can and should be admitted to care.

Capacity Building 2D Payment: This project is deliverable-based. Providers will be paid after the admission and discharge policy and training presentation are complete and DPH-SAPC has approved content. Complete and submit Invoice 2: Deliverable-Based Efforts and attach the deliverables by the due date for payment. Expenditure verification is not required.

Note: ***2D-1 and 2D-2 are required to participate in other R95 capacity building efforts****. Additionally, participation in optional sessions are ways for providers to reinvest capacity building payments and defray costs for staff who would otherwise be providing direct services.*

2D-1. Submit compliant admission policy for approval - one per treatment agency. *Tier 1 - $10,000, Tier 2 - $15,000, Tier 3 - $20,000. Required (Due: **3/15/24**)*

2D-2. Submit compliant discharge policy for approval - one per treatment agency. *Tier 1 - $10,000, Tier 2 - $15,000, Tier 3 - $20,000. Required (Due: **3/15/24**)*

2D-3. Submit compliant training presentation for approval - one per treatment agency. *Tier 1 - $10,000, Tier 2 - $15,000, Tier 3 - $20,000. (Due: **3/31/24**)*

Capacity Deliverable 2E	Modify Service Design to Serve Patients without Abstinence Goals

2E – Service Design: Capacity Building 2E supports providers in adapting the program services to align with the treatment needs of individuals who want to participate in services but are not ready to maintain abstinence. Efforts should be made to integrate services for individuals with different recovery goals whenever possible, but there may be instances when this is not conducive for all patients.

Providers should articulate expectations to patients and staff to ensure a positive patient experience and develop a plan to monitor implementation of new changes to ensure appropriate implementation and adoption. These funds support the cost for the agency to set expectations and standards for optimally serving this population and verifying successful implementation based on the customer experience, including reviewing current service offerings for this population, ensuring the intake process is inviting and accommodating, providing materials in languages spoken by patients, and creating a welcoming and professional treatment environment for all patients.

DPH-SAPC will conduct optional listening sessions and collaborative opportunities if providers would like to work together to get ideas on how to modify program services to better reach and retain this population. DPH-SAPC will also invite providers who are leaders in this area to share their experience. A sample customer experience template will also be developed to assist in completing the customer service walk-through. *Note: Participation in optional sessions are ways for providers to reinvest capacity building payments and defray costs for staff who would otherwise be providing direct services.*

Why Participate? Reimagining how the R95 population can be meaningfully integrated into care models that traditionally only serve those seeking abstinence likely requires updates to your existing processes in addition to admission/discharge policies. Implementation can take time, so it is important that your staff adopt and embrace these changes and that patients actually experience the new model from first contact and throughout their journey with you.

Capacity Building 2E Payment: This project is for start-up funds. Providers will be paid before updating the service design, conducting patient walk-throughs, and developing the plan. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation below

attesting to your commitment to participate. Submit the deliverables by the due date to avoid recoupment. Expenditure verification is not required.

2E-1. Submit attestation to complete service design expectations for approval - one per treatment agency. *Tier 1 - $1,000, Tier 2 - $1,500, Tier 3 - $2,000. (Due: **6/30/24**)*

2E-2. Submit attestation to conduct customer experience assessment and walk-through results - $200 (one per contracted DMC certified or licensed site). *Tier 1 - $1,000 per site, Tier 2 - $1,000 per site, Tier 3 - $1,000 per site. (Due: **6/30/24**)*

2E-3. Submit attestation to develop an improvement and investment plan - one per treatment agency. *Tier 1 - $5,000, Tier 2 - $7,500, Tier 3 - $10,000. (Due: **6/30/24**)*

Note: If you did not submit an attestation for start-up funds, but completed (or intend to complete) Capacity Building Deliverables 2C-2, 2D-1, and 2D-2, you can still receive capacity building funds for this deliverable by submitting Invoice 2: Deliverable Based along with the required documentation by June 30, 2024.

Capacity Building Deliverable 2F	Establish Bidirectional Referrals – SUD Treatment and Harm Reduction Services

2F – Enrollment: Capacity Building 2F supports providers in establishing bidirectional referral relationships between their treatment sites and harm reduction agencies to promote new admissions in alignment with updated admission and discharge policies. This is an important step in not only establishing policies that support the R95 population and/or those who want treatment services but do not have abstinence goals, but also in ensuring that those individuals at various levels of readiness for abstinence are welcomed and admitted into care.

DPH-SAPC, in collaboration with participating providers, will develop a sample MOU. This capacity building payment is designed to support the cost of developing and negotiating the MOU and creating referral pathways specifically with harm reduction partners.

Why Participate? Partnering with harm reduction and overdose prevention hubs are keys ways to reach individuals who continue to use substances but would benefit from engaging clinical services and to be available if abstinence goals change. These funds enable treatment agencies to build effective referral partnerships with these organizations.

Capacity Building 2F Payment:

Project 2F-1 is for start-up funds. Providers will be paid before meeting with new partners and executing MOUs. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation attesting to your commitment to participate. Submit the executed MOUs by the due date to avoid recoupment. Expenditure verification is not required.

2F-1. Submit attestation to execute MOUs different than 2A-3 and 2B-1 up to 3 per Tier 1 treatment agency; up to 4 per Tier 2 treatment agency; and up to 5 per Tier 3 treatment agency at $5,000 each. *Maximum Tier 1 - $15,000, Tier 2 - $20,000, Tier 3 - $25,000. (Due: **3/31/24**)*

Note: If you did not submit an attestation for start-up funds by 3/31/24, but completed (or intend to complete) Capacity Building Deliverables 2C-2, 2D-1, and 2D-2, you can still receive capacity building funds for this deliverable by submitting Invoice 2: Deliverable Based along with the required documentation by June 30, 2024.

Project 2F-2 is for deliverable-based. Providers will be paid after verifying claims by completing and submitting Invoice 2: Deliverable-Based Efforts and the due date. Expenditure verification is not required.

2F-2. After 6 months after signed MOU, verify claims for new admissions at non-FBS site up to 10 admissions per Tier 1 treatment agency; 15 admissions per Tier 2 treatment agency; and 20 admissions per Tier 3 treatment agency at $500 each and patient cannot receive any participation incentive. *Maximum Tier 1 - $5,000, Tier 2 - $11,250, Tier 3 - $20,000. (Due: **6/30/24**)*

Capacity Building Category: Fiscal and Operational Efficiency

Description: In July 2023, DPH-SAPC and treatment providers will experience another significant shift in how DMC services are reimbursed with the movement from cost reconciliation (lesser of costs or charges) to fee-for-service (FFS), and practitioner-level rates for outpatient services. This effectively means once a claim has been approved and paid, there will be no other reconciliations or payments involved for that claim.

Now more than ever, it is essential that providers take action to ensure they have a strong and viable organization, and that enough appropriate treatment services are delivered to generate sufficient revenue to cover operational costs. When revenue exceeds expenditures, agencies have the opportunity to reexamine current practices and make adjustments to increase clinical and operational efficiencies and shift those savings to new investments in patient care and their workforce and establish themselves as effective competitors in the SUD treatment marketplace. This can also ease the transition to value-based care where patient outcomes rather than service volume become the basis for reimbursement.

To ensure readiness, it is essential that providers establish and maintain an accurate and current

accounting system to monitor revenue and expenditures because some fiscal accountability measures remain post-payment reform:

- The County of Los Angeles Department of Auditor-Controller (A-C) continues to conduct mandated annual fiscal compliance reviews. Key points include:
    - Historically, the majority of finding related to providers not accurately tracking revenue and expenditures attributed to the delivery of services.

  - Providers will continue to submit fiscal reports for non-DMC contracts and be subject to recoupments. Recoupments have actually increased over the last three FYs:
    - FY19-20: 35%
    - FY18-19: 32%
    - FY17-18: 25%
- Though State and County will no longer require the current cost report and reconciliation process, providers are still required to submit the SAPC Fiscal Reporting Tool in order to be considered for an elevation in Tier for their rate.
- Provider agencies may be at risk of significant recoupments via fiscal compliance reviews if expenditures and revenue cannot be properly supported and/or accounted.
- Providers are still required to adhere to Generally Accepted Accounting Principles (GAAP) and the A-C's Contract Accounting and Administration Handbook.

DPH-SAPC recognizes both the risks and opportunities that these changes present to providers. As the County's administrator of the SUD network and steward of public funds, DPH-SAPC has developed a capacity building initiative designed to support providers through this transition.

Why Participate in Fiscal and Operational Efficiency Capacity Building Efforts? Your agency will get additional funding to support your accounting/financial infrastructure and increase your operational efficiency. Your participation is mutually beneficial:

- ***Patients:*** Effective clinical care requires efficient fiscal operations and reinvestment in patient care and direct service staff to facilitate positive treatment outcomes.
- ***Agencies*:** Increase your internal capacity to better manage your organization by monitoring staff's productivity and how much resources are truly needed to run your organization, and learn where reinvestment can be made by improving operational efficiencies.

Fiscal and Operational Efficiency Capacity Building efforts are described below.

Table 3: Fiscal and Operational Efficiency Capacity Summary

#	Description	Due Date	Max Units	Payment Per Unit	Total Maximum Revenue Potential	Max SAPC Spend All 84 Contractors
3A – Accounting Infrastructure: Systems and Capacity						
3A-1	Accounting Systems and Capacity	3/31/24	1	Tier 1 - $10,000	**Tier 1 - $10,000**	**$1,115,000**
				Tier 2 - $15,000	**Tier 2 - $15,000**	
				Tier 3 - $20,000	**Tier 3 - $20,000**	
3B – Expenditures and Revenue: Assessing and Enhancing Financial Health						
3B-1	Assessing & Enhancing Financial Health Training -	6/30/24	1	Tier 1 - $10,000	**Tier 1 - $10,000**	**$2,230,000**
				Tier 2 - $15,000	**Tier 2 - $15,000**	
				Tier 3 - $20,000	**Tier 3 - $20,000**	

3B-2	Revenue/Expenditure Tracking Tool - *Utilization*	6/30/24	1	Tier 1 - $10,000 Tier 2 - $15,000 Tier 3 - $20,000	**Tier 1 - $10,000** **Tier 2 - $15,000** **Tier 3 - $20,000**	
Minimum Agency Revenue Opportunity with Full Participation				**Tier 1** **Tier 2** **Tier 3**	**$30,000** **$45,000** **$60,000**	
Maximum County (SAPC) Contribution with Full Participation						**$3,345,000**

Capacity Deliverable 3A	**Accounting Infrastructure: Systems and Capacity**

3A – Accounting Systems and Capacity: Capacity Building 3A gives providers funds to invest in new accounting systems and/or strengthen existing accounting systems and organizational capacity. Under this category providers may receive up to $10,000 for the following activities:

- Purchase or upgrade of software, including accounting software, and information technology to help monitor and manage expenses and revenue.
- Enrollment of staff in accounting or business courses to increase organizational capacity.
- Formal training(s) or course(s) in non-profit organization management.
- Enrollment and participation in non-profit organizations (Center for Non-Profit Management, California Association of Non-Profits, etc.).
- Development of trackers, tools, and any report(s) that captures regular productivity or activities to facilitate easier revenue and expenditure tracking.

Why Participate? To improve fiscal capacity may take just a small investment in accounting tools or to train staff who fulfill this function but may need additional support and training to optimize your revenue and effectively transition to the new reimbursement model.

Capacity Building 3A Payment: This project is for start-up funds. Providers will be paid before investing in the accounting system and capacity options. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation attesting to your commitment to participate. Submit the summary of investment expenditures by the due date, to avoid recoupment.

3A-1. Submit attestation to expend funds on accounting system and capacity efforts - one per treatment agency. *Tier 1 - $10,000, Tier 2 - $15,000, Tier 3 - $20,000. (Due: **3/31/24**)*

Note: If you did not submit an attestation for start-up funds, you can still receive capacity building funds for this deliverable by submitting Invoice 2: Deliverable Based along with the required documentation by June 30, 2024.

Capacity Deliverable 3B	Expenditures and Revenue: Assessing and Enhancing Financial Health

3B – Revenue/Expenditure Training: Capacity Building 3B supports providers develop expenditure and revenue management skills by participating in the new CIBHS Assessing & Enhancing Financial Health training, which was developed with DPH-SAPC and will provide individualized training and technical assistance so providers can effectively conduct internal analysis and identify organizational costs, service implementation strategies to ensure costs are covered, and the development of a Revenue & Expenditure Tracking tool. Providers must identify 1-3 staff members who will actively participate and complete the training. Though CIBHS has offered similar trainings, none have offered this level of in-depth collaborative support. Additionally, a consistent concern of small- to medium-sized providers is that attending training results in a loss of revenue as staff who attend these trainings may also be service providing staff. It also provides resources to use appropriate tools to track expenditures and revenue.

Capacity Building 3B Payment:

Project 3B-1 is for start-up funds. Providers will be paid before attending the CIBHS training and technical assistance sessions. To receive advance funds, you must have completed and submitted the Invoice 1: Capacity Building Start-Up Funds Attestation attesting to your commitment to participate. Submit the attendance records, which will be validated by CIBHS, by the due date to avoid recoupment. Expenditure verification is not required.

3B-1. Submit attestation to attend training and technical assistance - one per treatment agency. *Tier 1 - $10,000, Tier 2 - $15,000, Tier 3 - $20,000. (Due: **6/30/24**)*

Note: If you did not submit an attestation for start-up funds, you can still receive capacity building funds for this deliverable by submitting Invoice 2: Deliverable Based along with the required documentation by June 30, 2024.

Project 3B-2 is deliverable based. Providers will be paid after use of the Revenue/Expenditure Tool for at least 6 months and it shows they have successfully monitored, maintained, and documented their revenues and expenditures and it is submitted and deemed complete. Complete and submit the invoice below and attach the deliverable by the due date for payment. Expenditure verification is not required.

3B-2. Submit Revenue/Expenditure Tool and demonstrate use for at least 6-months - one per treatment agency. *Tier 1 - $10,000, Tier 2 - $15,000, Tier 3 - $20,000. (Due: **6/30/24**)*

Invoice Process for Capacity Building Categories 1, 2, and 3

START-UP FUNDS-Invoice 1

- Once an agency has decided which capacity building efforts to participate in that permit advance payment (start-up funds), submit *Invoice #1 – Capacity Building Start-Up Funds Attestation and Invoice* with the selected eligible efforts identified, attest to submitting the deliverable by the due date, and

indicate intention to participate in other deliverable-based efforts as applicable. Invoice #1 is due **August 10, 2023**.

- The following capacity building efforts are eligible for start-up funds: 1C-1, 1D-1, 2A-1, 2A-2, 2A-3, 2B-1, 2C-1, 2E-1, 2E-2, 2E-3, 2F-1, 3A-1, and 3B-1.
- **Note: If you did not submit an attestation for start-up funds by August 10, 2023, but completed (or intend to complete) Capacity Building Deliverables 1D-1, 2A-1, 2A-2, 2A-3, 2B-1, 2C-1, 2E-1, 2E-2, 2E-3, and/or 2F-1, you can still receive deliverable-based capacity building funds by submitting Invoice 2: Deliverable Based along with the required documentation by June 30, 2024.**

- ***1E Category is added as of March 2024 with Due Dates for 1E-1 of April 19, 2024 and 1E-2 June 30, 2025.**

DELIVERABLE BASED-Invoice 2

- Once an agency has completed capacity building efforts that are deliverable-based in accordance with the above requirements, and any subsequent guidance, submit *Invoice #2 – Capacity Building Deliverables Attestation and Invoice* and provide relevant justification and substantiating documents for SAPC review, approval, and payment.
- The following capacity building efforts are deliverable-based: 1A-1,1B-1,1D-2, *1E-2, 2B-2, 2C-2, 2D-1, 2D-2, 2D-3, 2F-2, and 3B-2.
- As noted above, if you did not submit a request for start-up funds but are now interested in participating via deliverable-based for 1D-1, 1D-2, 1D-1, 1D-2, 2B-2, 2C-1, 2E-1, 2E-2, 2E-3, and/or 2F-1 submit deliverable on-time and use Invoice 2 for reimbursement.