Beyond the Claim: How ISL Reveals the True Scope of Behavioral Health

Marlies Perez
Amie Miller
Ryan Quist
Dawn Kaiser
Haylea Hannah

Disclaimer

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The views expressed are those of the speaker and do not necessarily represent the views of DHCS or its components.

Learning Objectives

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

1. Understand the who, what, why, and how of Individual Service Level (ISL) encounter reporting
2. Understand the impact of ISL on Substance Use Disorder (SUD) contractors, including a review of relevant ISL codes
3. Describe how ISL will impact tracking client outcomes and services provided by County Behavioral Health Plans (BHPs)

Panel Introduction

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Marlies Perez

Amie Miller

Ryan Quist

Dawn Kaiser

Haylea Hannah

Poll

Are you a representative from a:

- County
- Community-Based Organization (CBO)
- Other

Behavioral Health Services Act (BHSA) and ISL

MHSA to BHSA

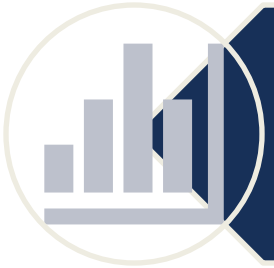
The **Mental Health Services Act (MHSA)** was passed by California voters in 2004.

- Funded by a 1% income tax on personal income in excess of $1 million per year
- Designed to expand and transform California's behavioral health system to better serve individuals with, and at risk of, serious mental health issues, and their families

In 2024, voters passed Proposition 1, replacing MHSA with the **Behavioral Health Services Act (BHSA).**

Three Big Shifts Under BHSA

New Populations of Focus



New Reporting Requirements

Increased Accountability

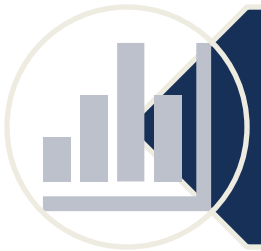
BHSA's Expanded Focus

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE 20 YEARS

New Populations of Focus

- People experiencing or at risk of homelessness
- People with systems involved or risk (child welfare, justice involve, “institutional” settings)
- **People living with a Substance Use Disorder (SUD)**

BHSA's Increased Oversight



New Reporting Requirements

- Enhanced focus on Evidence Based Practices (EBPs) and Community Defined Evidence Practices (CDEPs)
- Service reporting framework (Care Continuum)
- **Services + expenses not claimable to Medi-Cal (ISL)**

BHSA's Focus on Outcomes

Increased Accountability

- Reporting on expenditures across *all* BH funding sources in the Behavioral Health Outcomes, Accountability and Transparency Report (BHOATR)
- Emphasis on health equity to identify and reduce disparities
- **Focus on treatment outcomes – using data to show how are services/investments improving the lives of our treatment population**

BHSA's New Framework

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Behavioral Health Care Continuum

BHSA expands the focus to individuals with a substance use disorder (SUD), and to providing housing and other supports beyond Medi-Cal.

ISL helps make those investments visible.

Poll

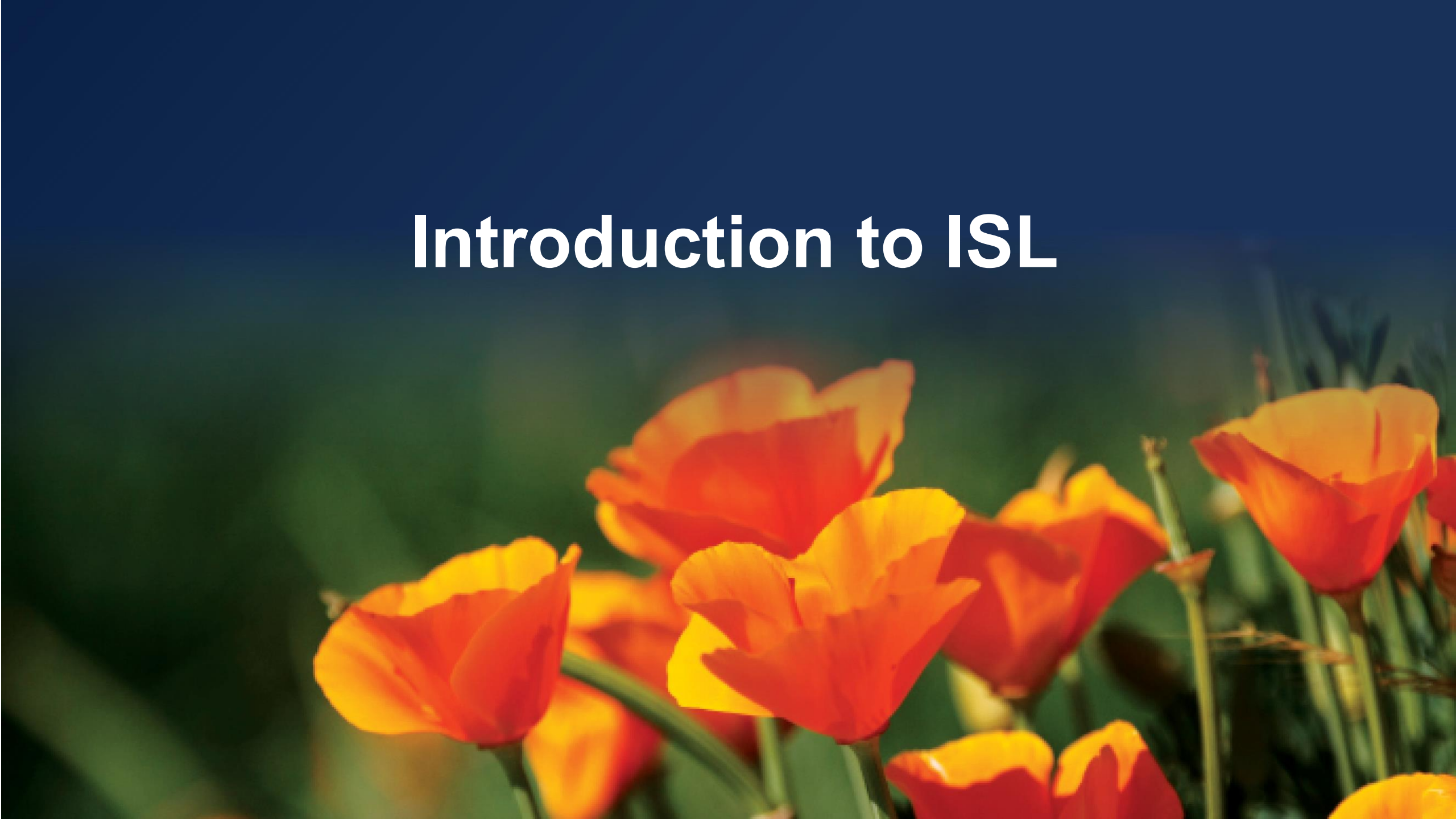
SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

If you provide direct services, what level of care do you provide?

- Housing Services
- Primary Prevention
- Early Intervention
- Outpatient
- Intensive Outpatient
- Crisis & Field-based
- Residential Treatment
- Inpatient
- Other

Q&A
Open Discussion

Introduction to ISL

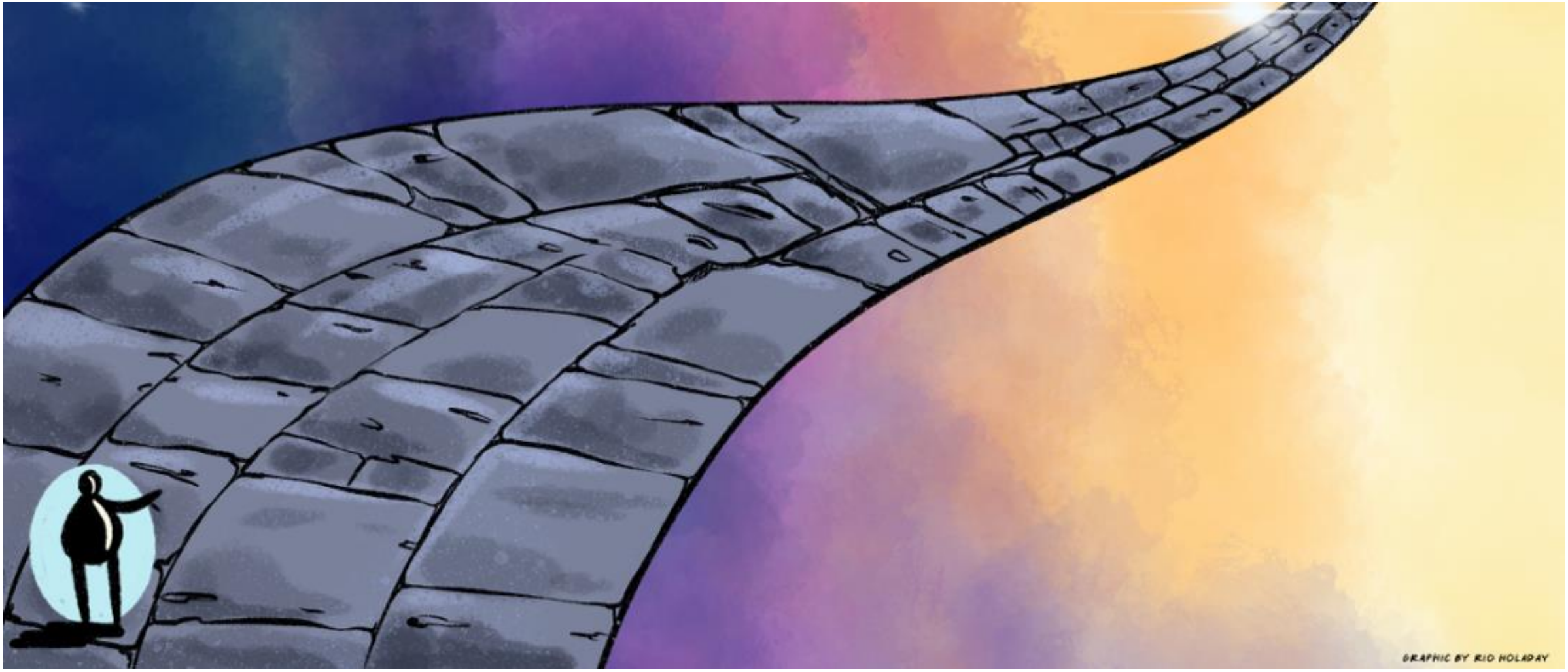


Individual Service Level Encounter Data

- The Behavioral Health Services Act (BHSA) requires County Behavioral Health Plans (BHPs) to collect individual-level behavioral health services and expenses not captured through Medi-Cal claims – beginning January 1, 2027.
- These ISL encounters must be reported to DHCS.
- ISL reporting does not generate additional revenue for the BHP.

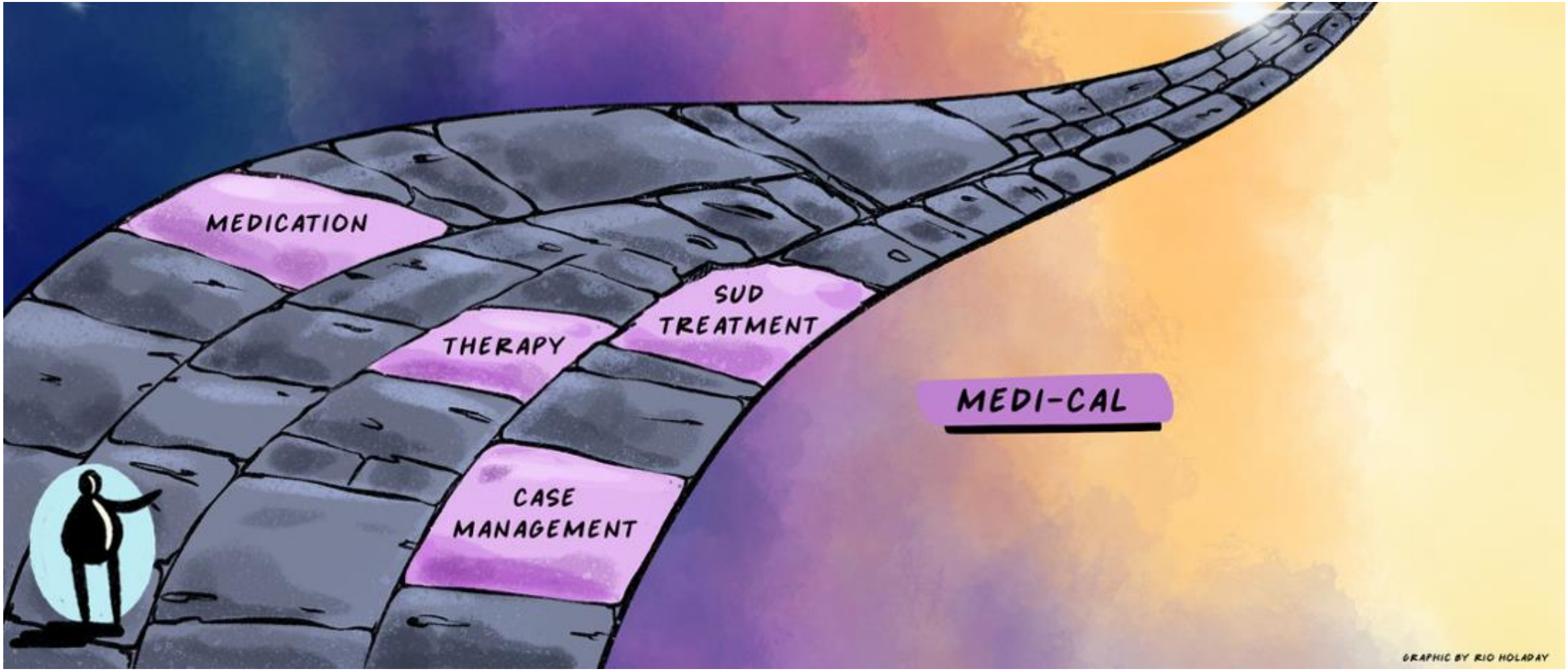
Charting a Course (1 of 6)

Recovery & Resilience



Charting a Course (2 of 6)

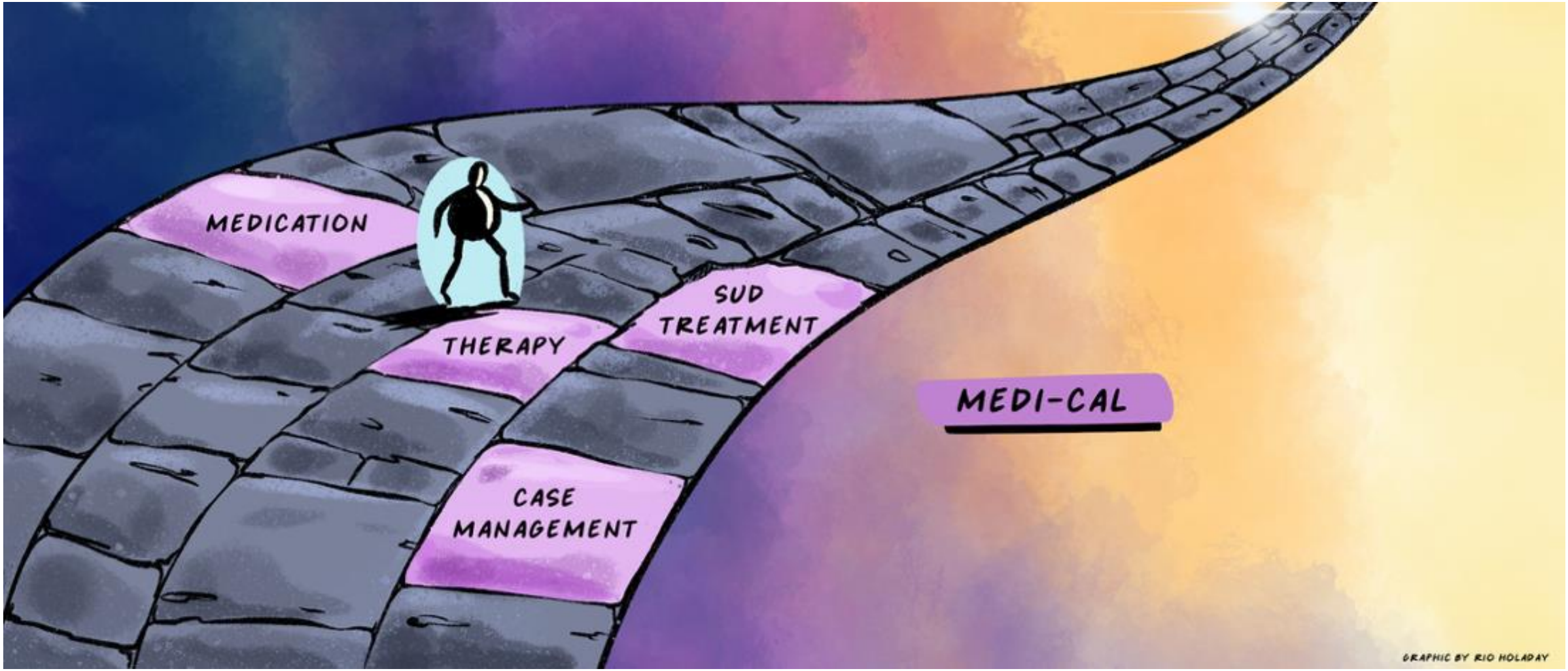
Recovery & Resilience



Medi-Cal

Charting a Course (3 of 6)

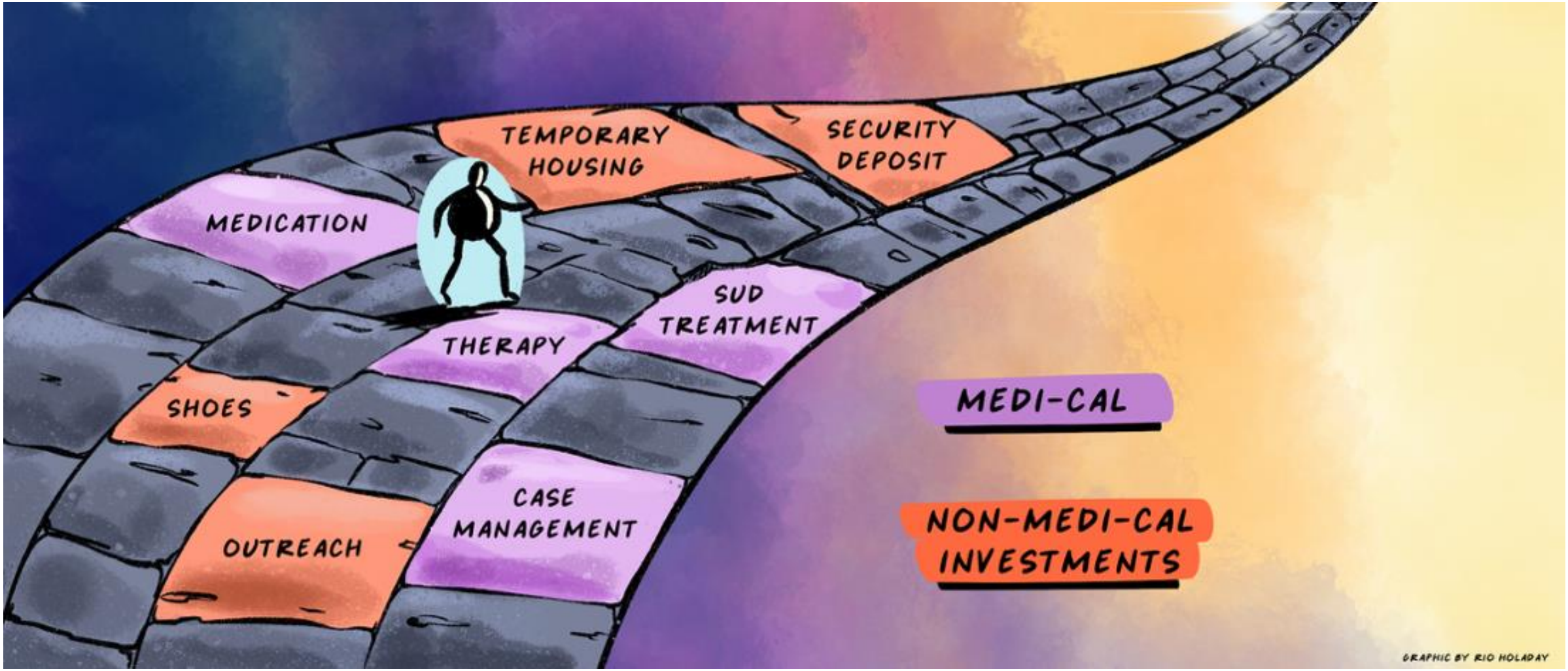
Recovery & Resilience



Medi-Cal

Charting a Course (4 of 6)

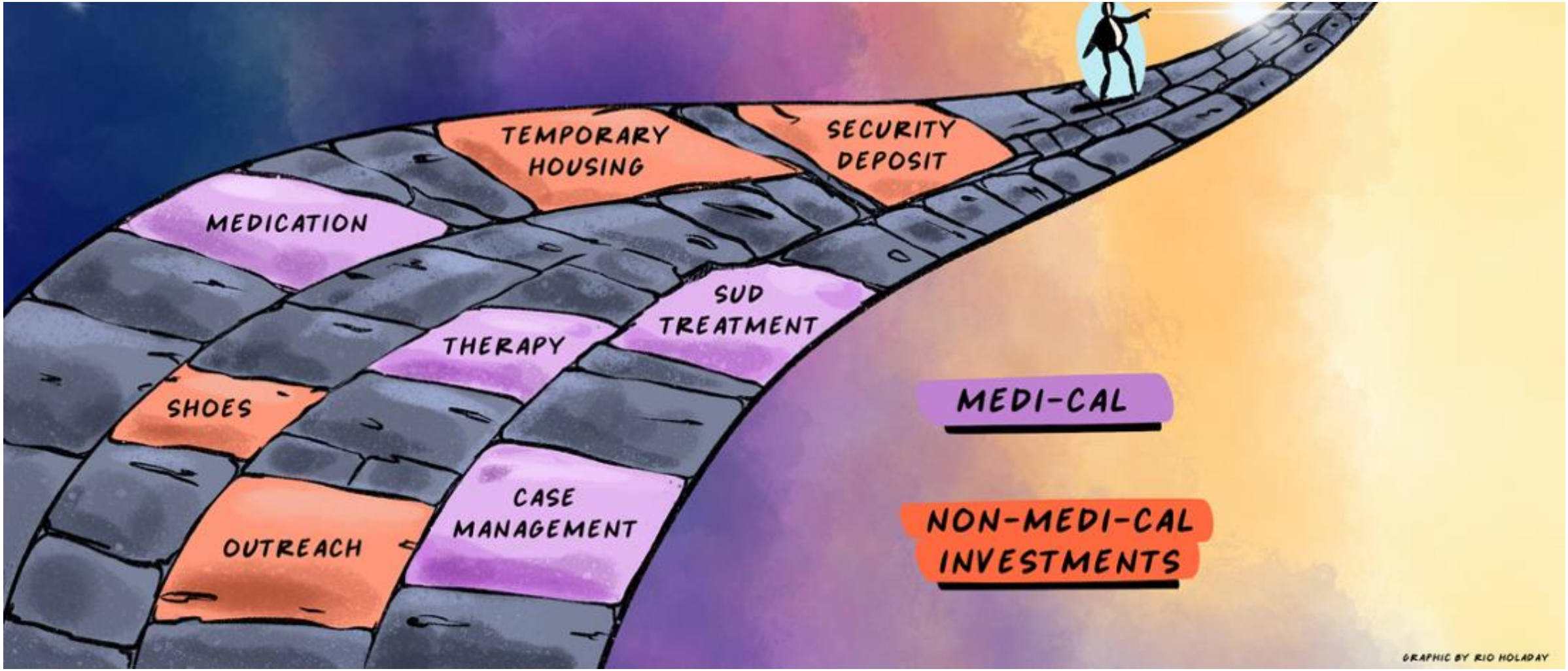
Recovery & Resilience



Medi-Cal Non-Medi-Cal Investments

Charting a Course (5 of 6)

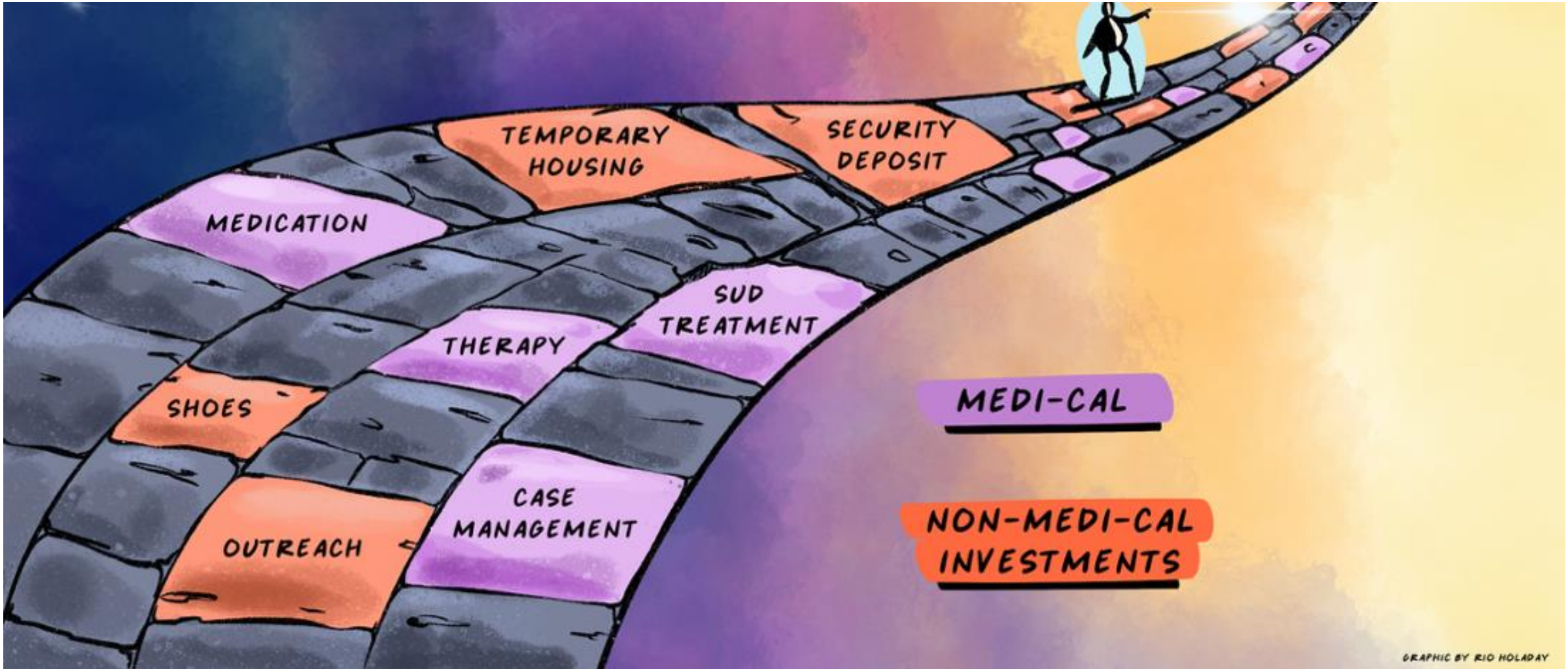
Recovery & Resilience



Medi-Cal Non-Medi-Cal Investments

Charting a Course (6 of 6)

Recovery & Resilience



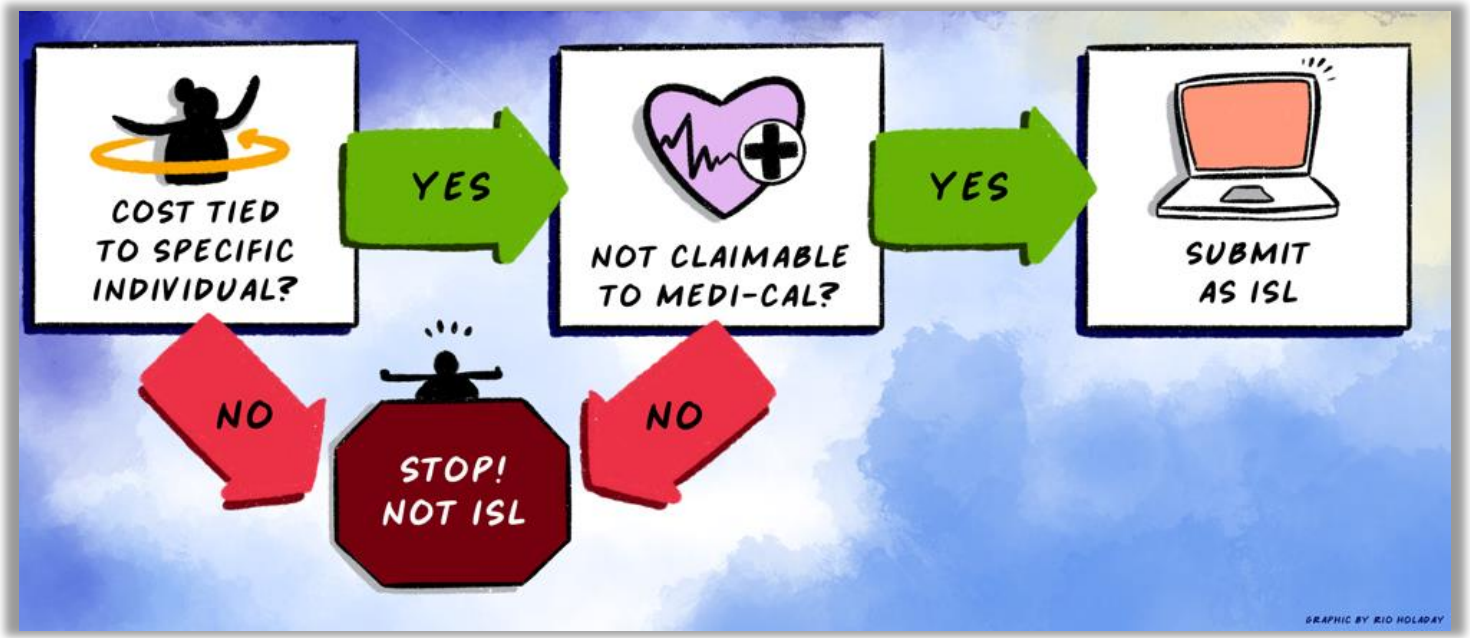
Medi-Cal Non-Medi-Cal Investments

ISL captures the full constellation of investments required – above and beyond Medi-Cal – to help the people we serve meet their goals.

Identifying and Reporting ISL Services

Identifying ISL Services

If a service/expense is provided to an identifiable clients that are not claimable to Medi-Cal, it is reported as ISL.

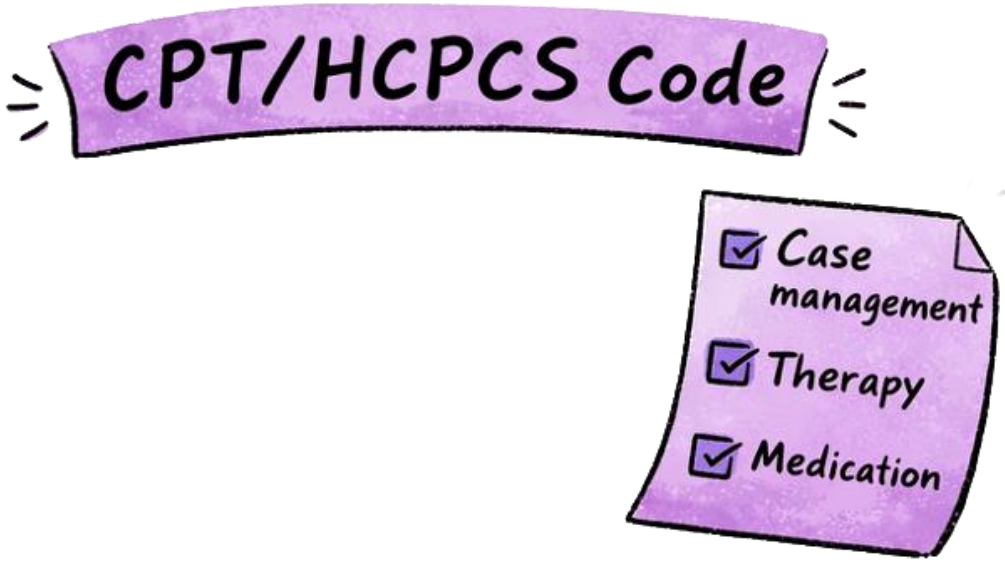


ISL Encounter Reporting Guidance and resources can be found here:
ISL Encounter Reporting | DHCS

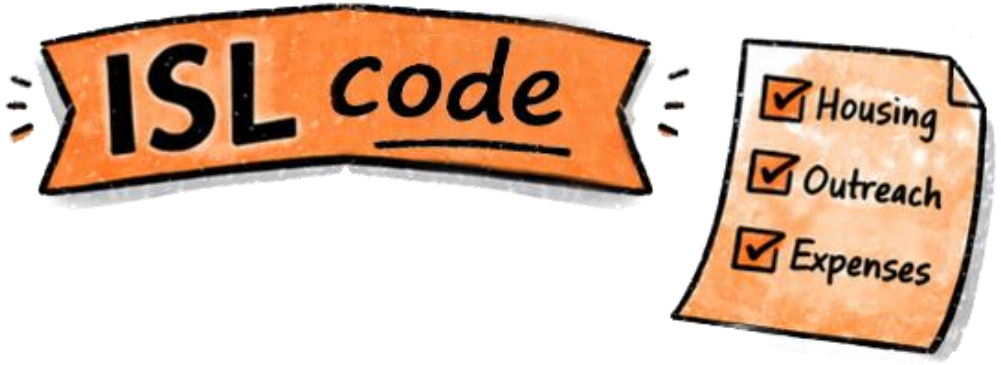
Code Sets Used in ISL

- The ISL Code Library includes two Code Sets.

Medi-Cal ISL Code Set



DHCS-Defined ISL Code Set



Use the code that accurately describes the service delivered.

Reasons a Service Becomes ISL Reportable

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Ineligible Client: The client did not have coverage on the date of service.

Lockout Service: The service was provided in a setting that does not permit Medi-Cal claiming.

If "yes" to any of these reasons, the service may be reported in ISL using the applicable code:

CPT/HCPCS Code

or

ISL Code: The service or expense is not a Medi-Cal service.

ISL code

ISL Code Groupings

- Acute
- Subacute
- Housing
- Outpatient
- Expense

Acute/Subacute ISL Codes

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Treatment Bed Day Hold (ISL104)	Room and Board (ISL109)
Use when the BHP pays to hold or reserve a treatment bed for a specific client during a temporary absence.	Use when the BHP pays non-treatment residential room and board costs for a specific client.

Housing Codes (1/3)

Recovery Residence (ISL212, ISL213)
Use for recovery residence or sober living environment stays – interim (ISL212) or permanent (ISL213).

Bed Hold Day (ISL214)
Use when the BHP pays to reserve a housing bed for a specific client during a temporary absence to maintain care continuity.

Housing Codes (2/3)

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Other Rental Assistance / Subsidies
ISL206: Rental Subsidy-Interim Setting Use for short-term rental support. **ISL207: Rental Subsidy-Permanent Setting** Use for ongoing rental support connected to permanent housing. **ISL210: Hotel/Motel Voucher** Use for hotel or motel stays. **ISL215/216: Shelter/Plus Programming** Use for shelter-based stays.

Housing Codes (3/3)

Additional Housing Expenses

ISL211: Landlord Outreach & Mitigation
Use for eviction mitigation expenses (e.g., damage reimbursement, eviction prevention costs).

ISL217: Moving Expenses
Use for move-in costs to establish a household (e.g., basic furnishings and household items).

ISL218: Security Deposits
Use to cover the deposit needed to help a client secure housing.

ISL219: Other Housing Expenses
Use for other housing costs to meet immediate housing needs (e.g., utility deposits or arrears).

Outpatient Codes (1/4)

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Sobering Center (ISL311)	BHSS Early Intervention EBPs and CDEPs (ISL313)
Use for a safe, supportive sobering center encounter that is not Medi-Cal claimable.	Use for eligible BHSA early intervention EBP/CDEP services when there is no equivalent Medi-Cal CPT/HCPCS or other ISL code.

Outpatient Codes (2/4)

Early Intervention (EI) Outreach (ISL302)
Use for client-level EI outreach and engagement activities, such as embedded counselors in a school program providing outreach to at-risk youth.

Outpatient Codes (3/4)

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Cross-System Meetings

ISL300: School Meetings
Coordination with school or education partners.

ISL303: Child Welfare Meetings
Coordination with child welfare or family-serving systems.

ISL306: Probation Meetings
Coordination with probation partners.

ISL307: Parole Meetings
Coordination with parole partners.

Outpatient Codes (4/4)

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Legal Report Writing (ISL304)	Court Hearing Time (ISL305)
Use for time spent preparing required legal, court, or mandated reports for a specific client.	Use for time spent attending a court hearing or waiting to provide information related to a specific client's case.

Expense Codes (1/2)

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Essential Items (ISL400)	Employment and Education (ISL402)	Child Care / Respite Support (ISL403)
Use for food, clothing, hygiene items, culturally specific needs, medical remedies, or other basic needs.	Use textbooks, tuition, tools, uniforms, certificates, job training, or education-related supports.	Use for child care or respite supports needed to reduce barriers or support family stability.

Expense Codes (2/2)

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Travel & Transportation (ISL401)	Translation / Interpreter Service (ISL405)
Use for taxi/rideshare, bus passes, gas vouchers, vehicle repair support, or other direct client transportation supports.	Use for translation or interpreter supports connected to non-Medi-Cal claimable ISL services.

Q&A
Open Discussion

How ISL Impacts Contracted CBO Providers

What does this mean for CBO Providers?

- Potential changes to invoicing and reporting
- Working closely with BHPs to ensure ISL services and expenses captured correctly

Anticipated Impacts on Provider Network

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

POSSIBLY LOWER	MIXED	POSSIBLY HIGHER
Type: Residential and inpatient	**Type**: Housing	**Type**: Outpatient, harm reduction, prevention
Why: Providers likely already report client-level services that would be ISL reportable.	**Why**: Providers may do client-level reporting for some but not all services.	**Why**: Providers may not consistently track non-billable ISL services and expenses currently being delivered.

IMPACT

Required ISL Data Fields

The data fields required for ISL closely mirror what is entered in an electronic health record and required for billing – these include:

CLIENT

- ✓ Basic demographics
- ✓ Medi-Cal information

PROVIDER

- ✓ Who provided the service
- ✓ Which program the service was provided in

SERVICE

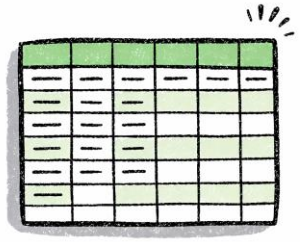
- ✓ Relevant service code and detail

Potential Data Flow for Contractors

SERVICE IS PROVIDED

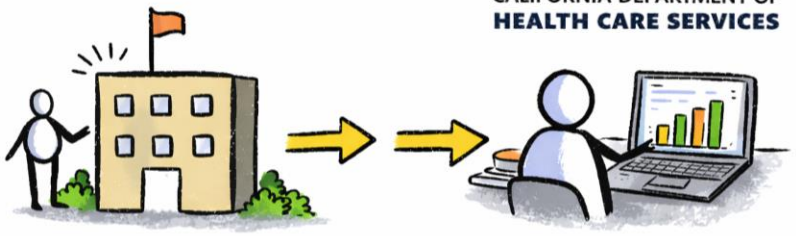
ENTERED IN EHR

or



SUBMITTED BY INVOICE/SPREADSHEET

DHCS
CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES



BHP SUBMITS DATA TO DHCS

A Client's Journey

A Client's Journey (1 of 9)

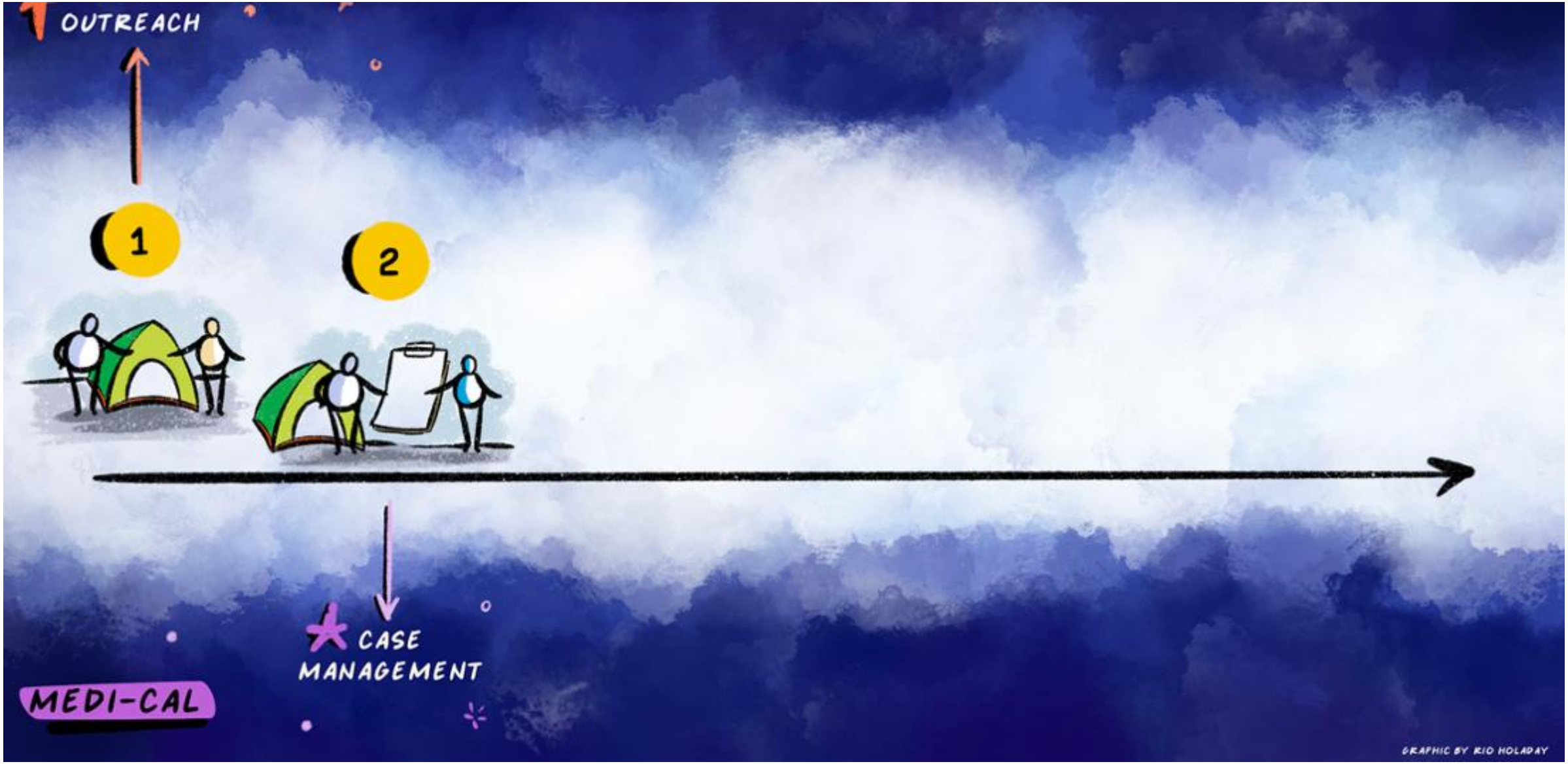
ISL Medi-Cal

A Client's Journey (2 of 9)

ISL Medi-Cal

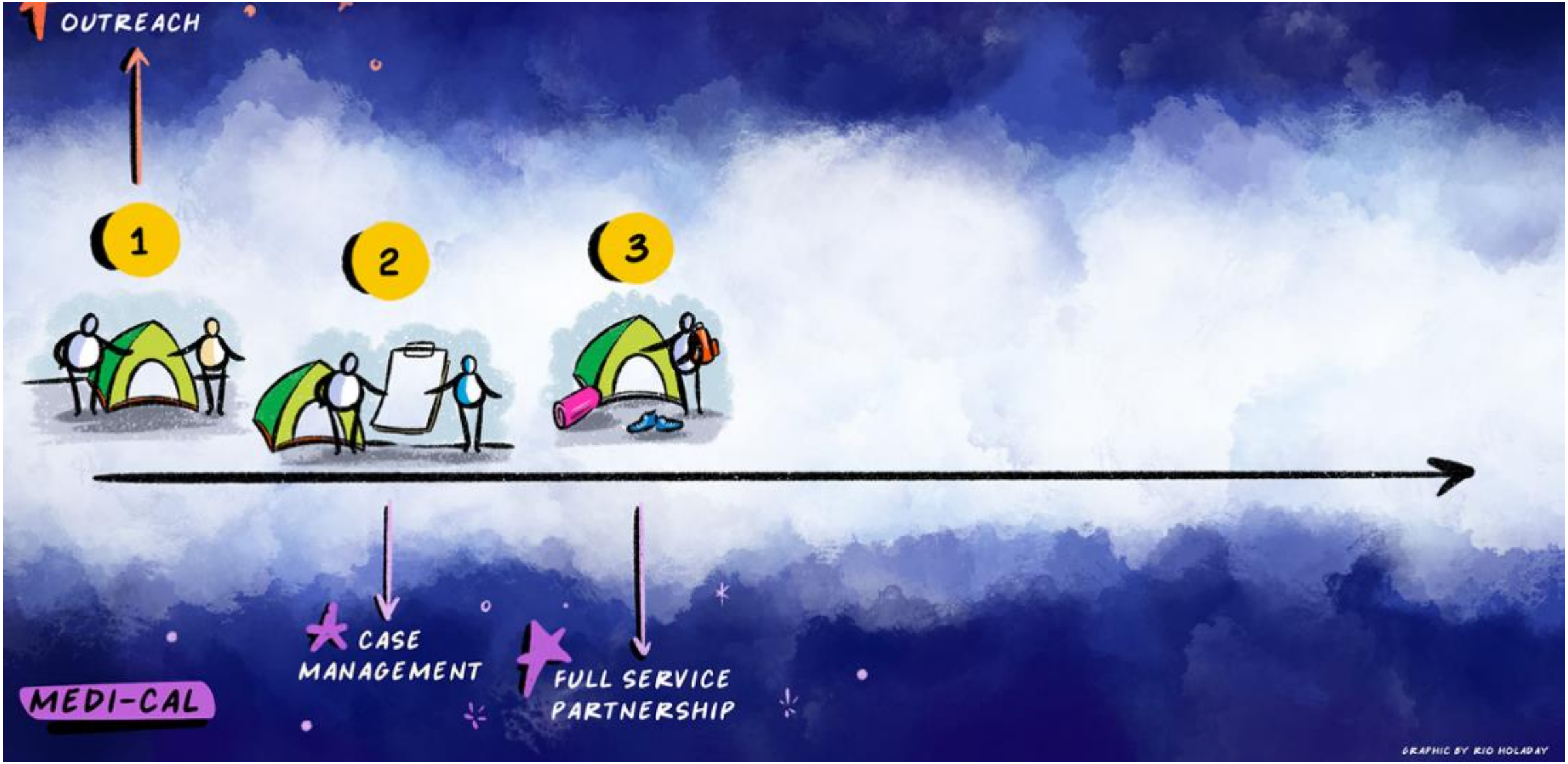
A Client's Journey (3 of 9)

ISL Medi-Cal



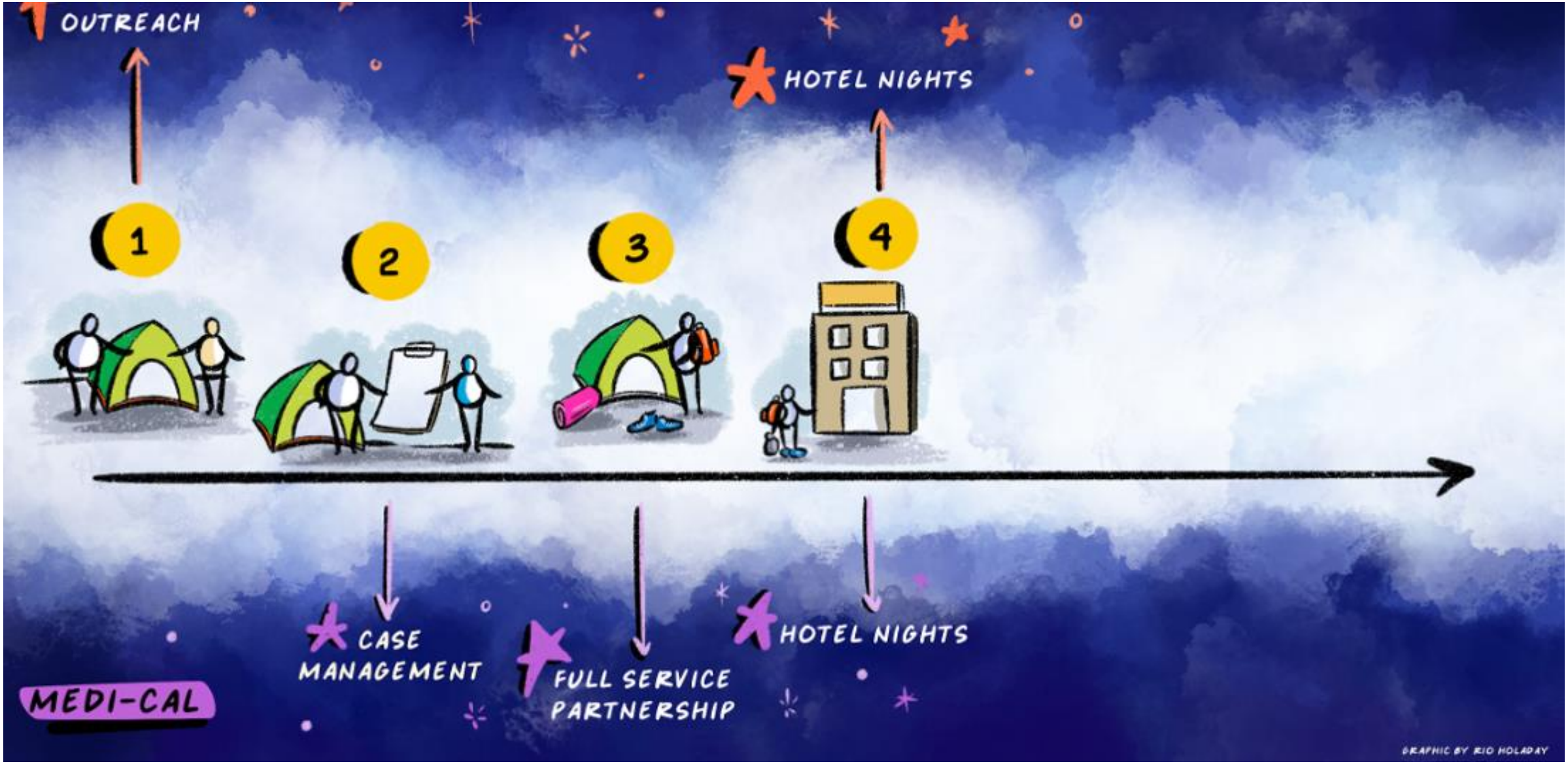
A Client's Journey (4 of 9)

ISL Medi-Cal



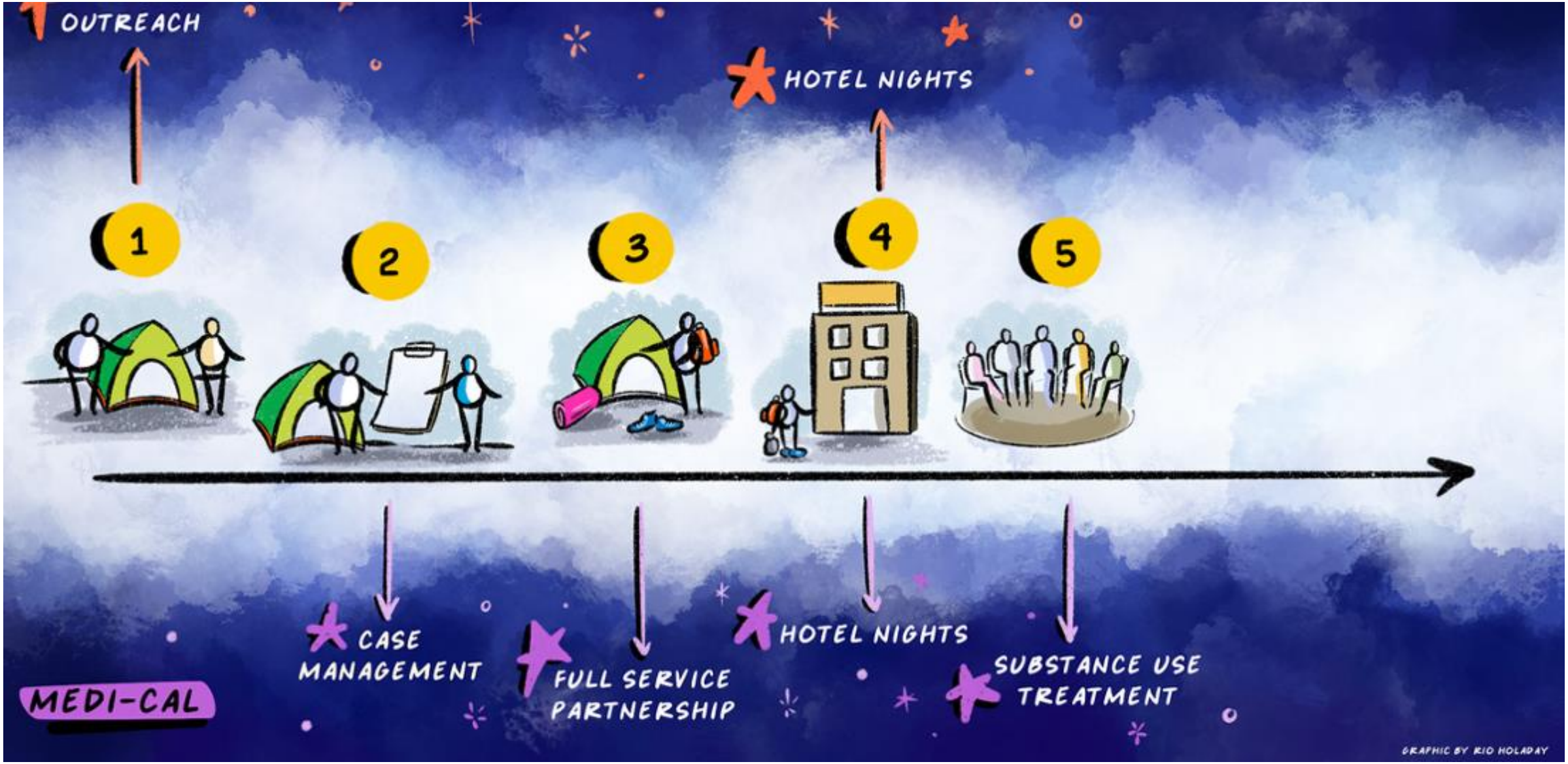
A Client's Journey (5 of 9)

ISL | Medi-Cal



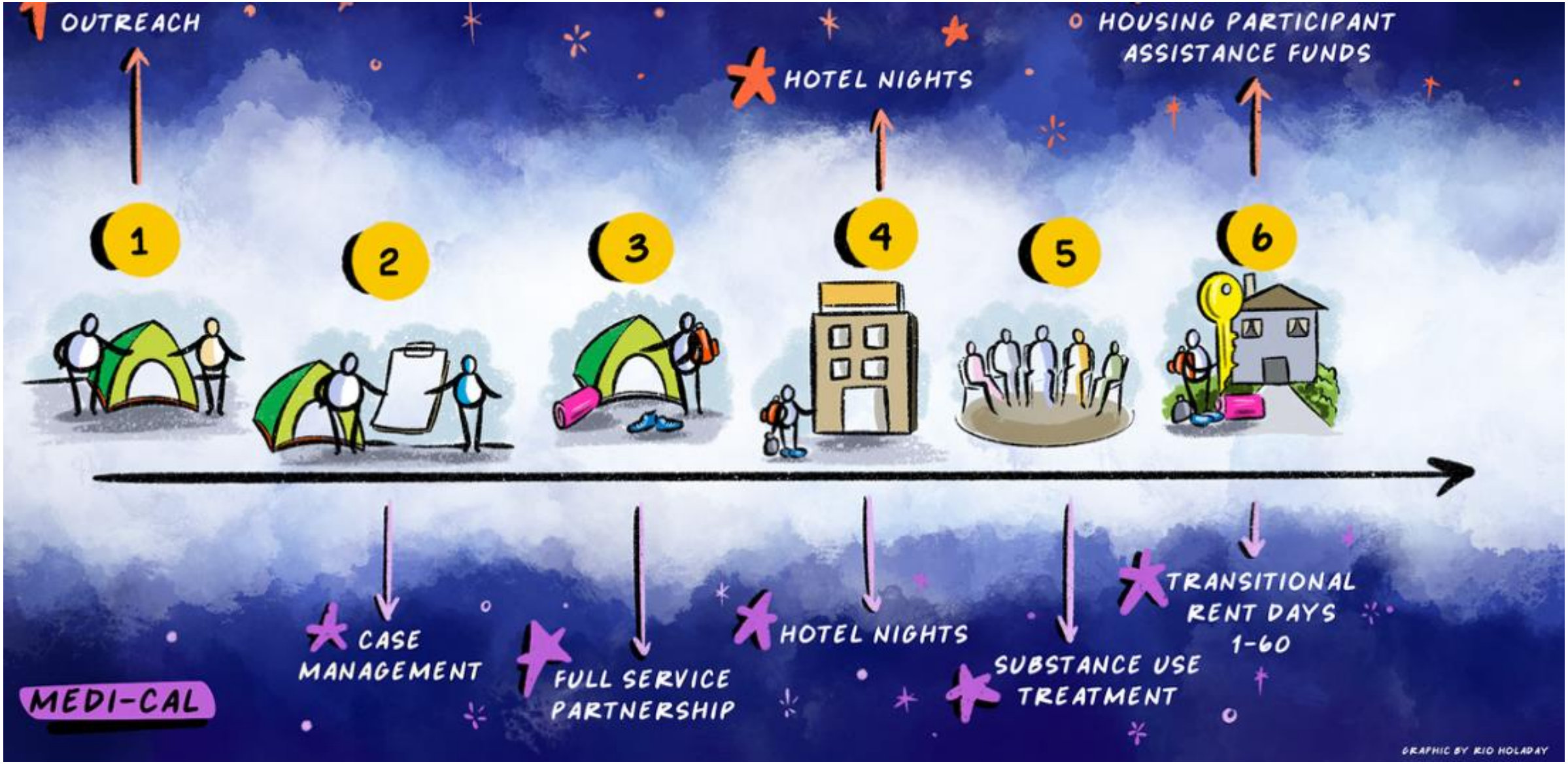
A Client's Journey (6 of 9)

ISL Medi-Cal



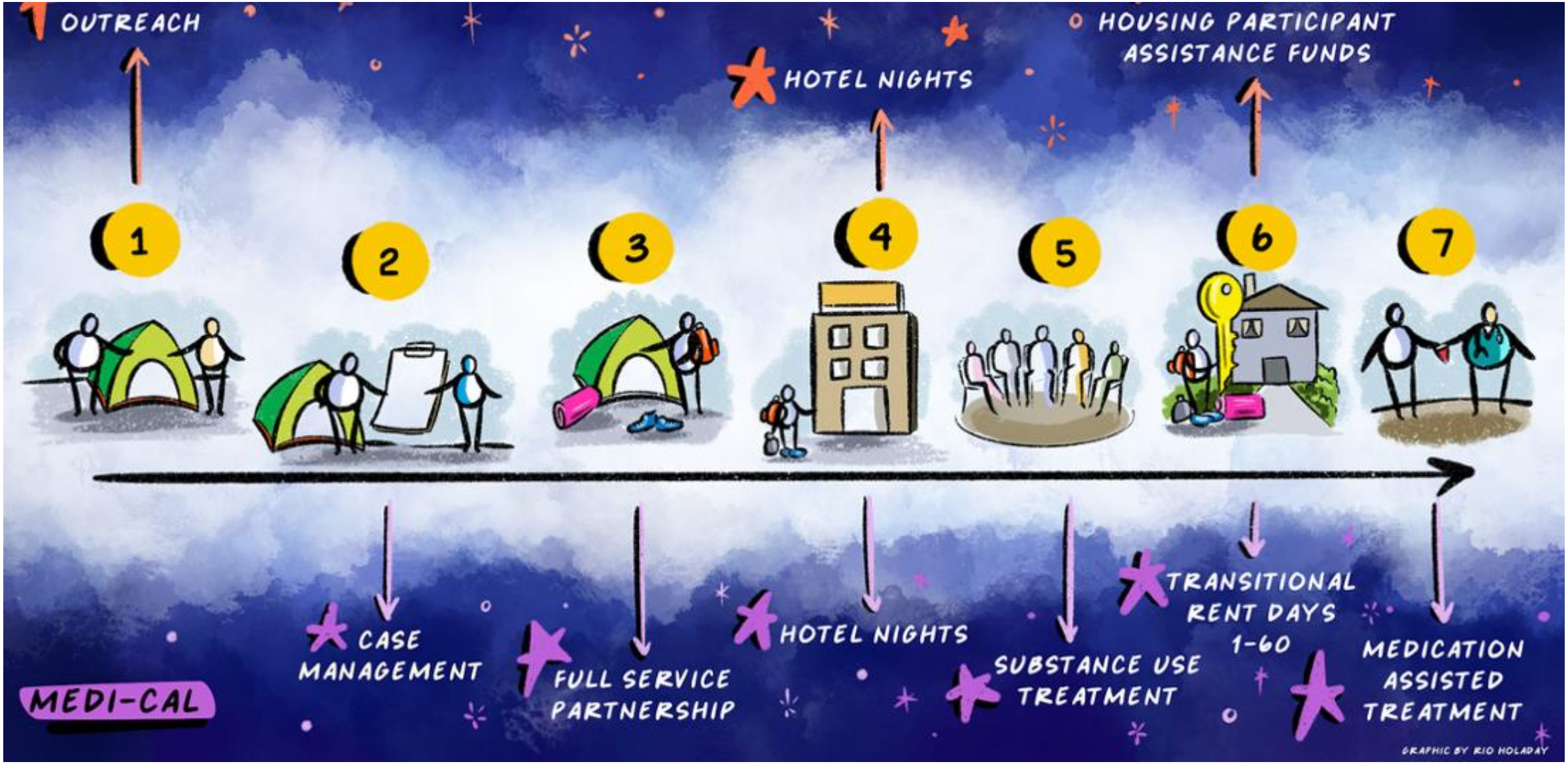
A Client's Journey (7 of 9)

ISL Medi-Cal



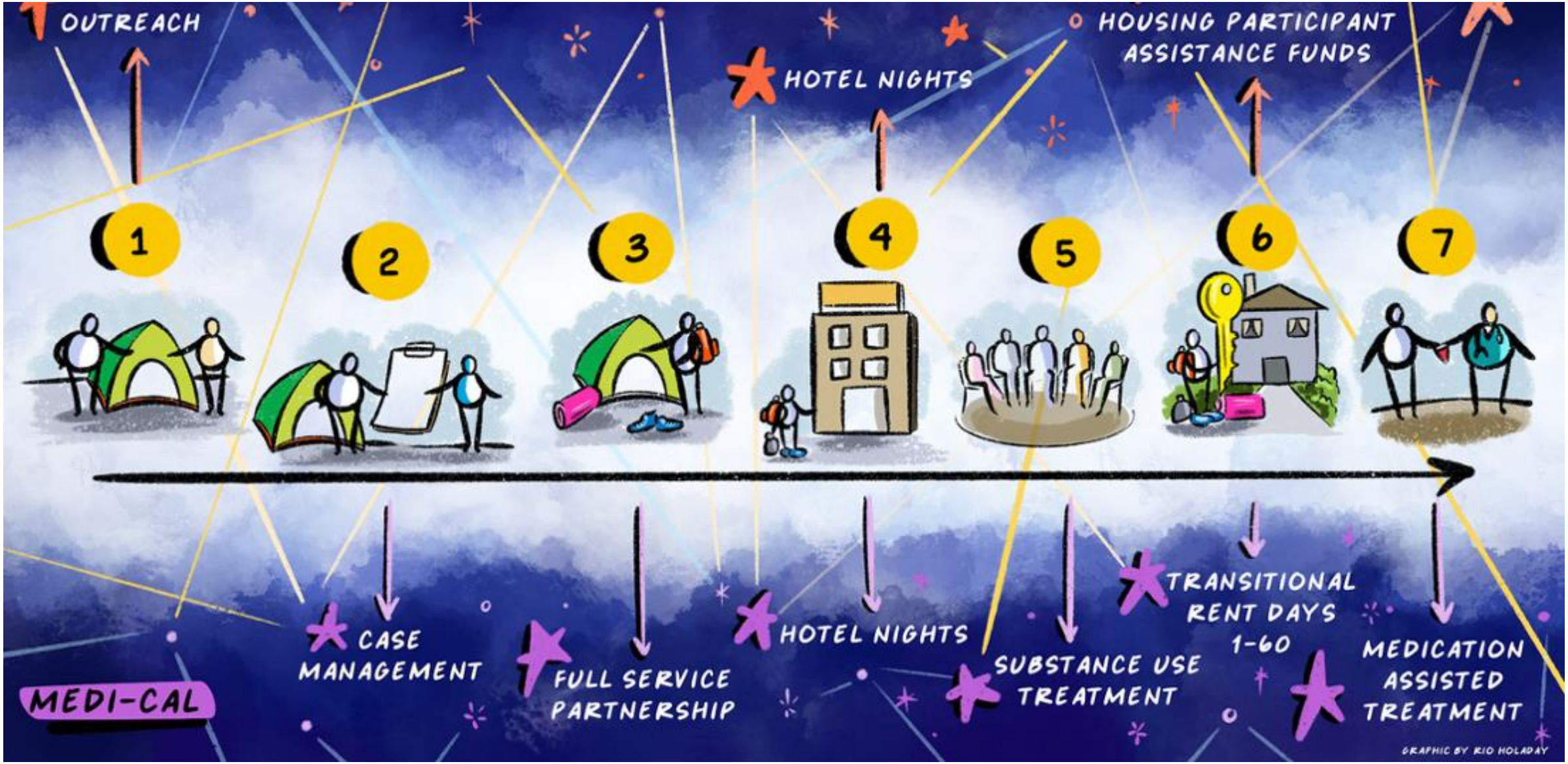
A Client's Journey (8 of 9)

ISL Medi-Cal



A Client's Journey (9 of 9)

ISL Medi-Cal



Poll

Are you already collecting these types of data in your organization or jurisdiction?

- Yes
- No
- Not Sure

Applying the ISL Framework

Data are a signal, not a conclusion.

To Keep in Mind...

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

- Insights reflect information captured in one county's Electronic Health Record in FY24/25, **prior** to ISL code set creation
- We mapped those services/expenses to the ISL code set
- There have been significant policy and system changes since then, especially around housing services
- When ISL data starts to be collected in ISL, the picture will change...

Impactful Changes in the Policy Landscape

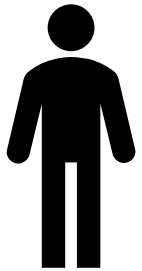
SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

- **Behavioral Health Bridge Housing Program** – expands housing investments for people experiencing homelessness with SMI and/or SUD.
- **Proposition 36** – increases focus on community-based SUD treatment as an alternative or response to certain drug-related offenses.
- **BHSA** – expands the former MHSA framework to include SUD treatment, housing interventions, workforce, and stronger accountability.
- **MCP Community Supports** – expands Medi-Cal plan-funded housing supports, such as navigation, deposits, and tenancy-sustaining services.
- **BH CONNECT** – strengthens community-based behavioral health services and workforce capacity for people with significant behavioral health needs.
- **CARE Court** – creates a court-based pathway to connect eligible individuals with serious behavioral health needs to treatment and supports.

Key Terminology

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Individuals



May represent clients as well as people who received one encounter and were not engaged further

Encounters

Includes any type of documented encounter with a County Behavioral Health Plan provider network

Medi-Cal Paid

Status determined based on 835 file payment advice

ISL and Medi-Cal Submissions

Medi-Cal File

- Medi-Cal services billed to and paid for by Medi-Cal
- Medi-Cal services billed to Medi-Cal and voided, pending, or denied (for reasons other than ineligible or lockout)

ISL File

- **Medi-Cal Services in ISL**
  - Medi-Cal services not billed to Medi-Cal
  - Medi-Cal services denied by Medi-Cal due to ineligible individual or lockout
- **True ISL Services**
  - "True" ISL-coded services

Defined at the service-level based on claims associated with services

ISL and Medi-Cal Submissions

Medi-Cal File
(87% of FY24-25 services)

ISL File
(13% of FY 24-25 services)

Medi-Cal Only
Individuals with services only in Medi-Cal File

37% of clients

Both
Clients with services in ISL **and** Medi-Cal File

40% of clients

ISL Only
Clients with services only in ISL File

23% of clients

ISL Will Capture More Individuals in Both the MH and SUD Systems

20 YEARS SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

27% more individuals served in MH system

Mental Health Clients Reached — Medi-Cal Alone vs. With ISL Added

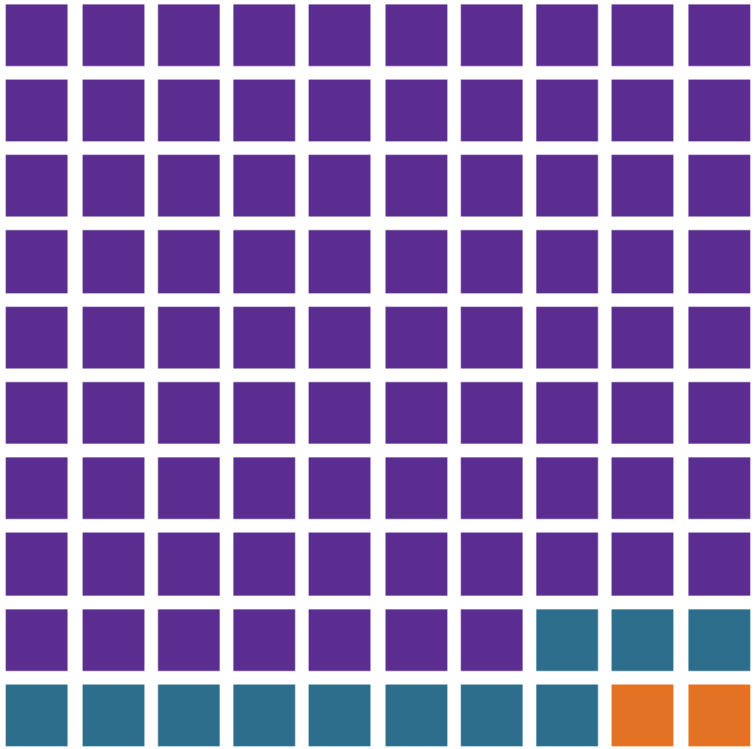
Each square ≈ 1% of 32,341 unique Mental Health clients

Medi-Cal Only Both ISL Only

2% more individuals served in SUD system

SUD Clients Reached — Medi-Cal Alone vs. With ISL Added

Each square ≈ 1% of 6,269 unique SUD clients



Medi-Cal Only Both ISL Only

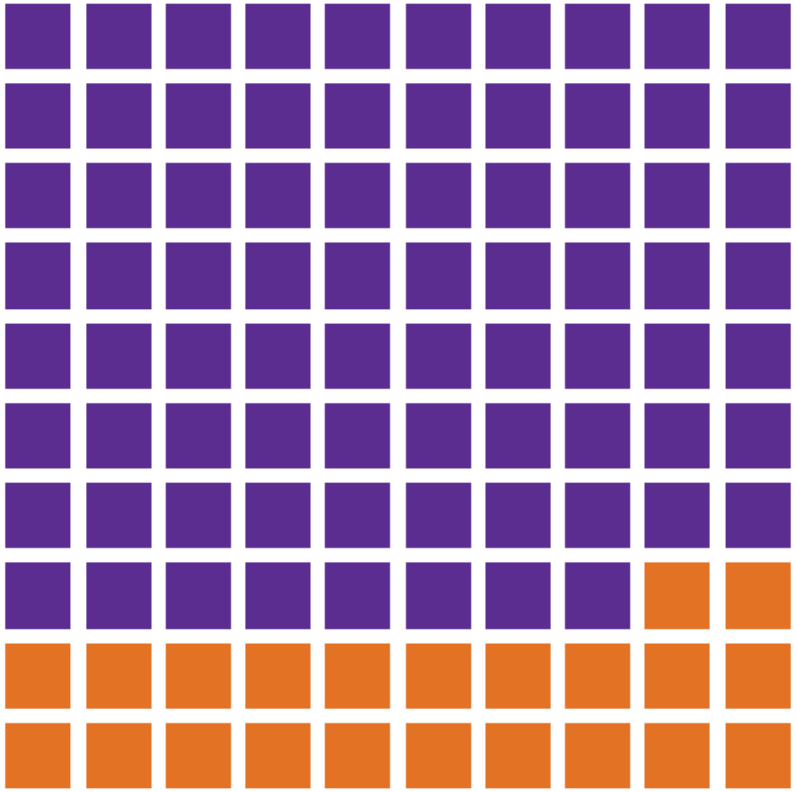
ISL Will Capture More Services in MH and SUD Systems

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

30% more MH services

Mental Health Services Delivered — Medi-Cal vs. ISL

Each square ≈ 1% of 1,007,633 Mental Health services

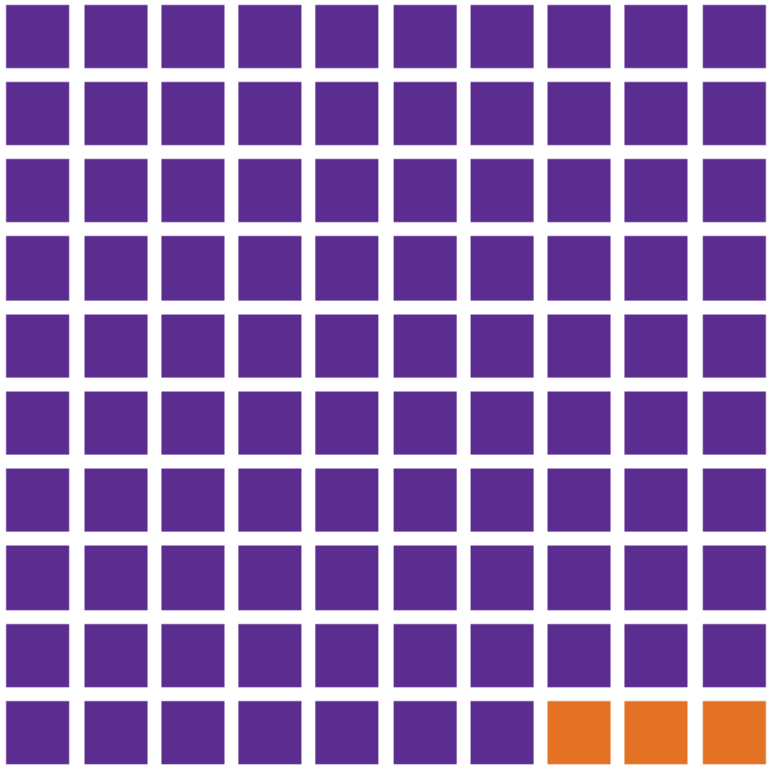


Medi-Cal ISL

3% more SUD services

SUD Services Delivered — Medi-Cal vs. ISL

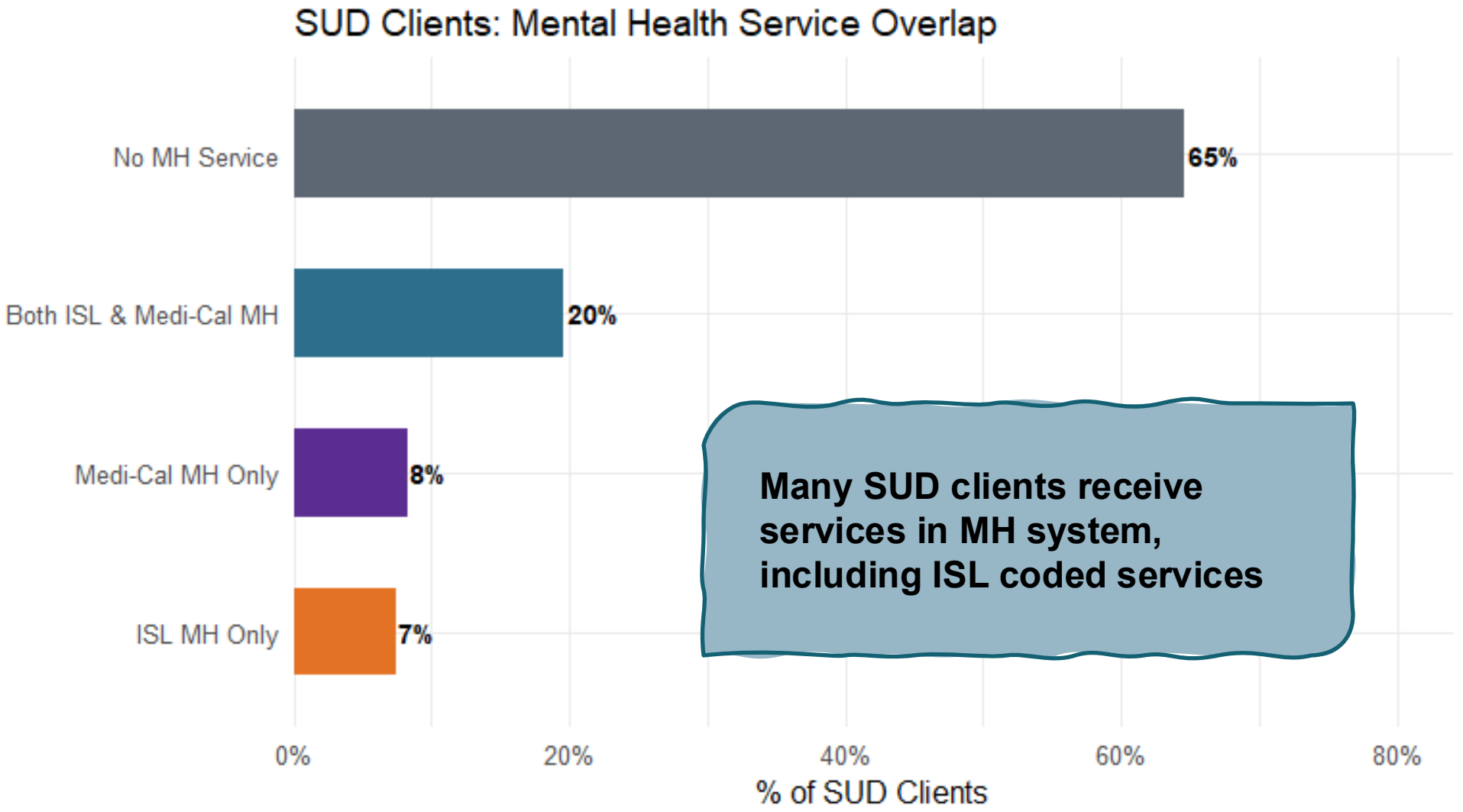
Each square ≈ 1% of 940,228 SUD services



Medi-Cal ISL

A More Complete of Picture of MH Services Provided to SUD Clients

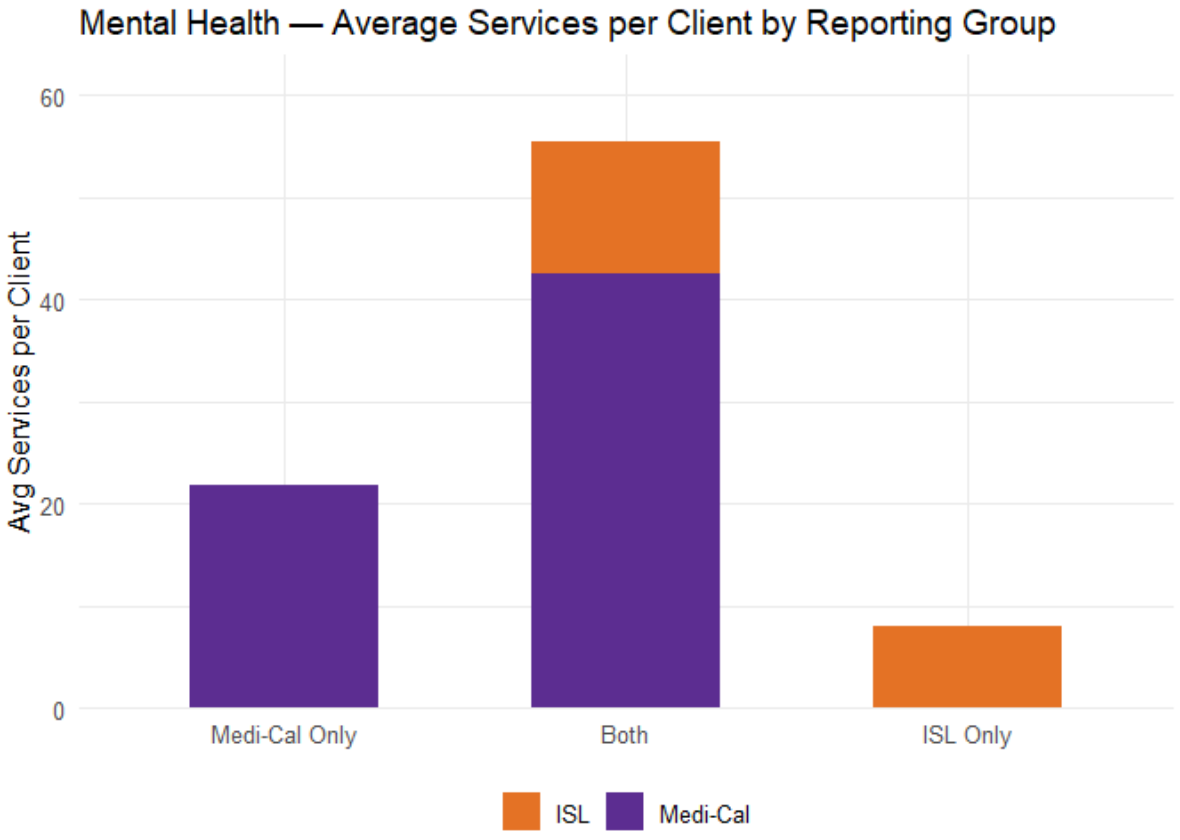
SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE



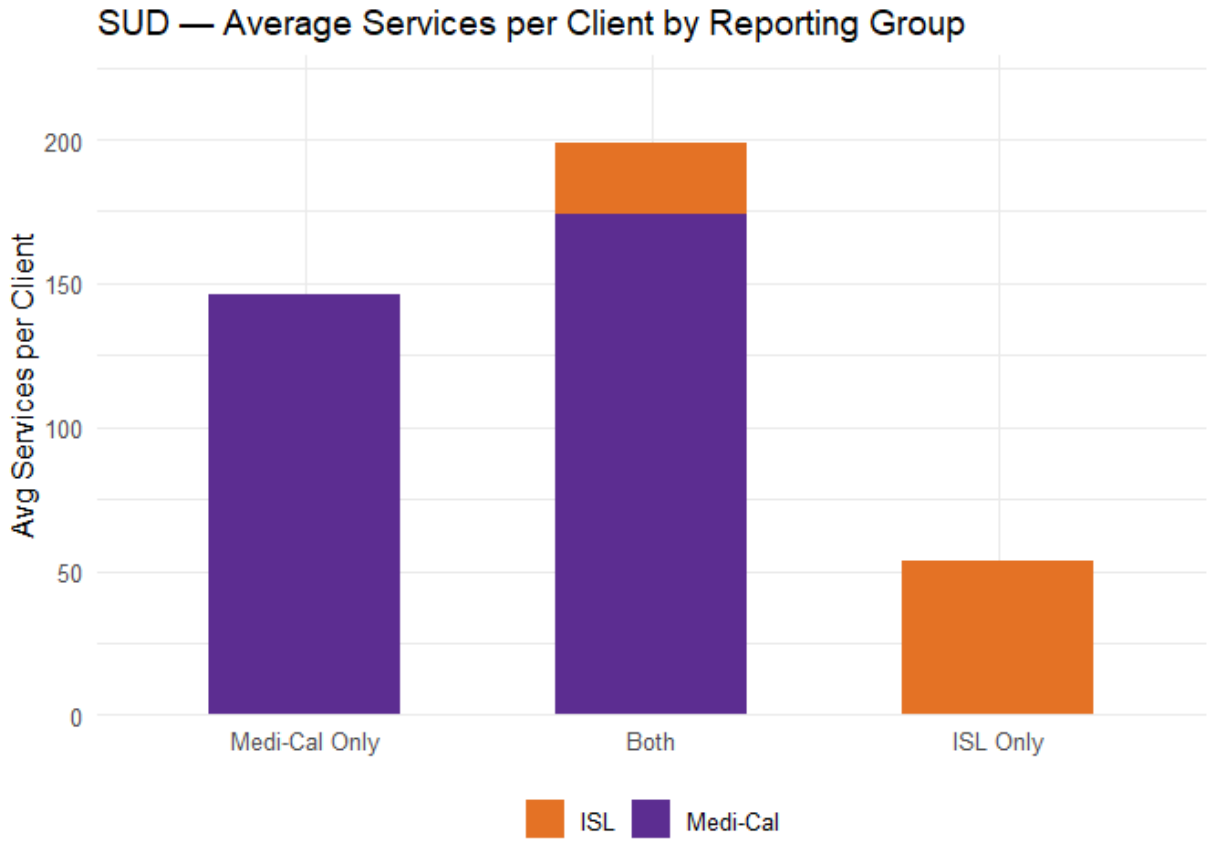
ISL Provides More Complete Picture of Supports & Services

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Average MH Services per Client



Average SUD Services per Client



Most in MH ISL File Received ISL-coded Services

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

7 out of 10

individuals in the MH ISL File were enrolled in Medi-Cal

Most encounters were
True ISL Services

Most in SUD ISL File were Medi-Cal Services

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

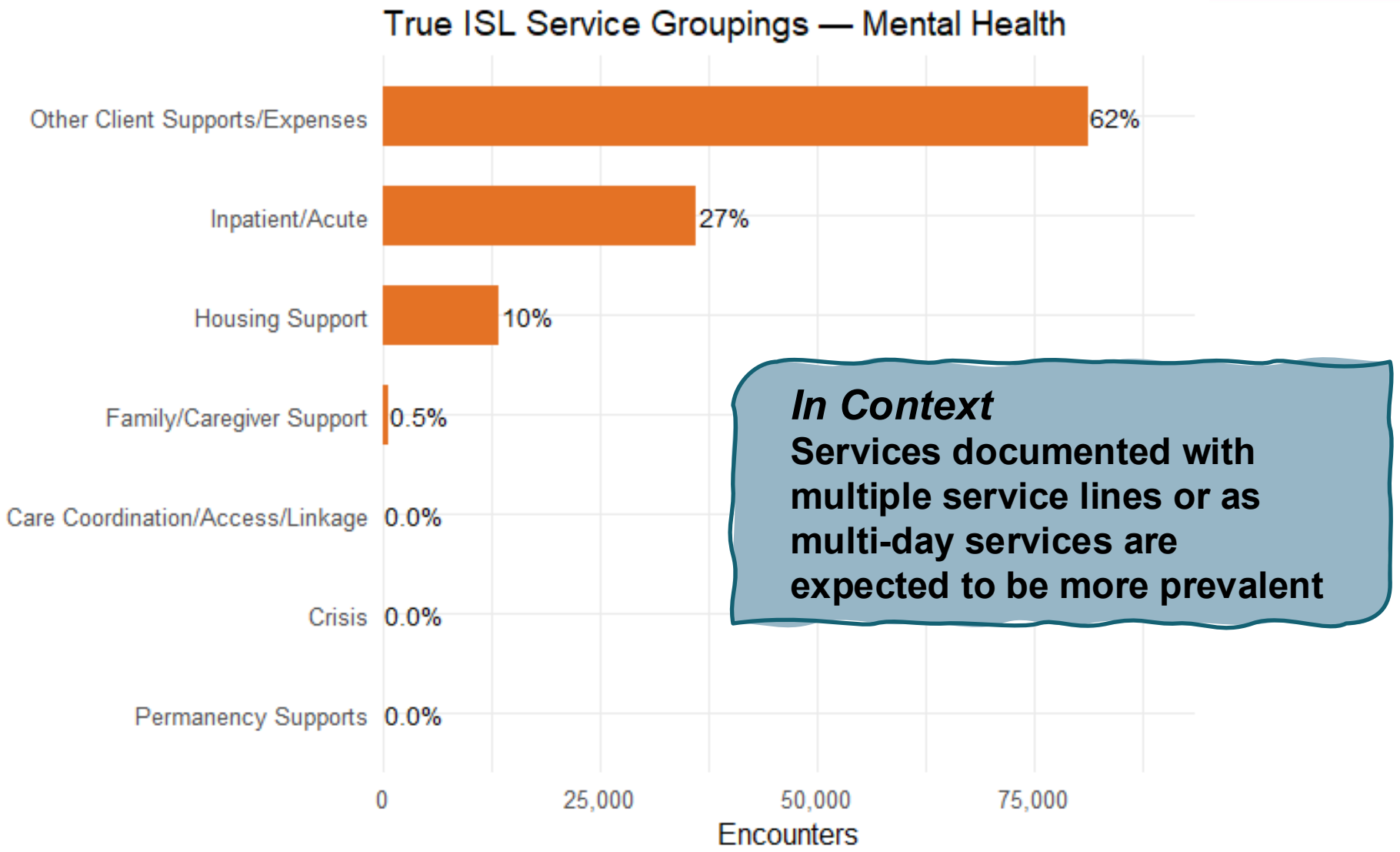
9 out of 10

individuals in the SUD ISL File were enrolled in Medi-Cal

Most encounters were
Medi-Cal Services in ISL

Most MH ISL Services were Supports/Expenses

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

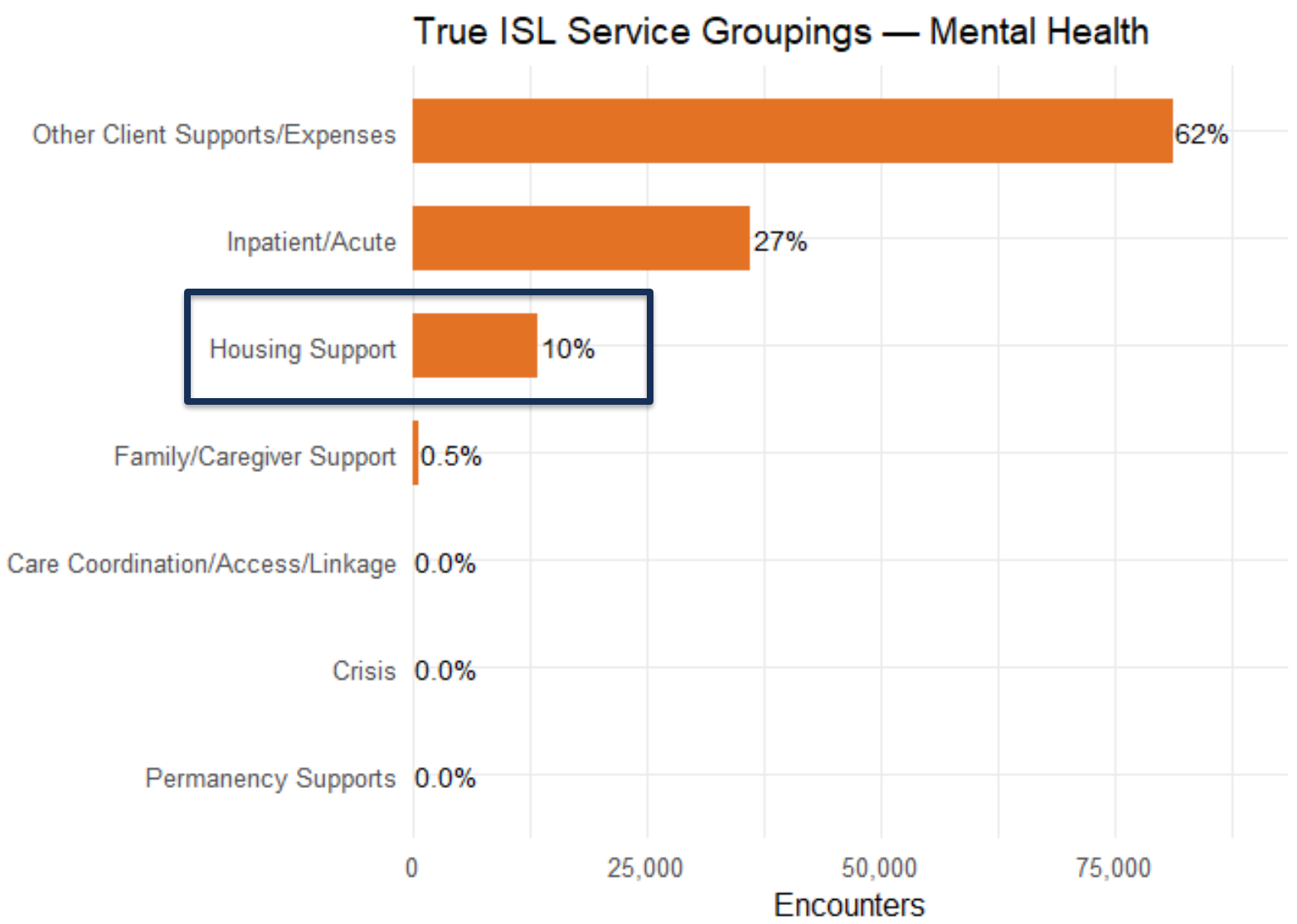


In Context

Services documented with multiple service lines or as multi-day services are expected to be more prevalent

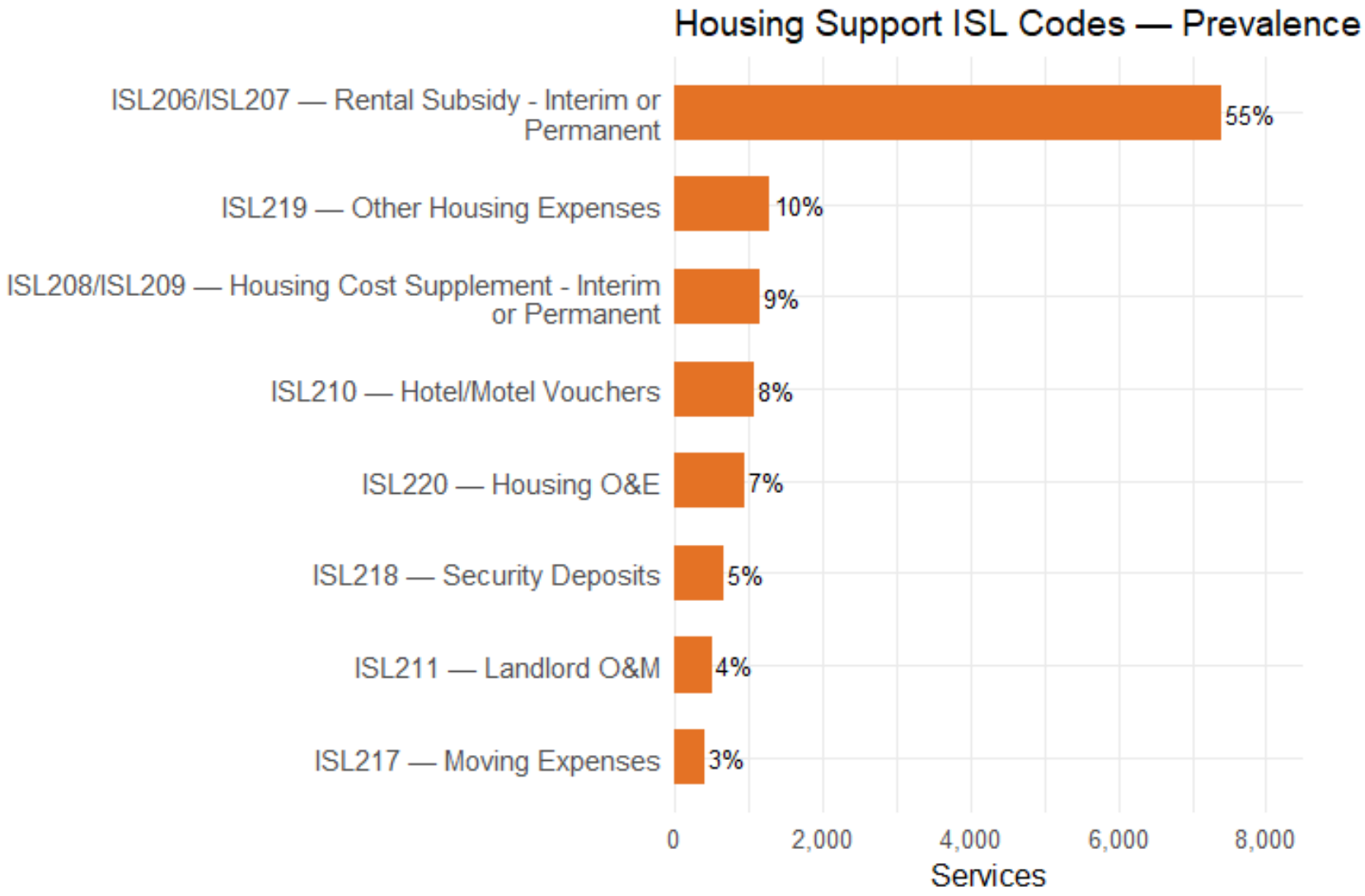
Focusing in on Housing ISL Services…

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE



Rental Subsidies were the Most Common Housing ISL Code

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE



Anticipated ISL Housing Codes in SUD System of Care

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Recovery Residence (ISL212, ISL213)

Other Rental Assistance / Subsidies

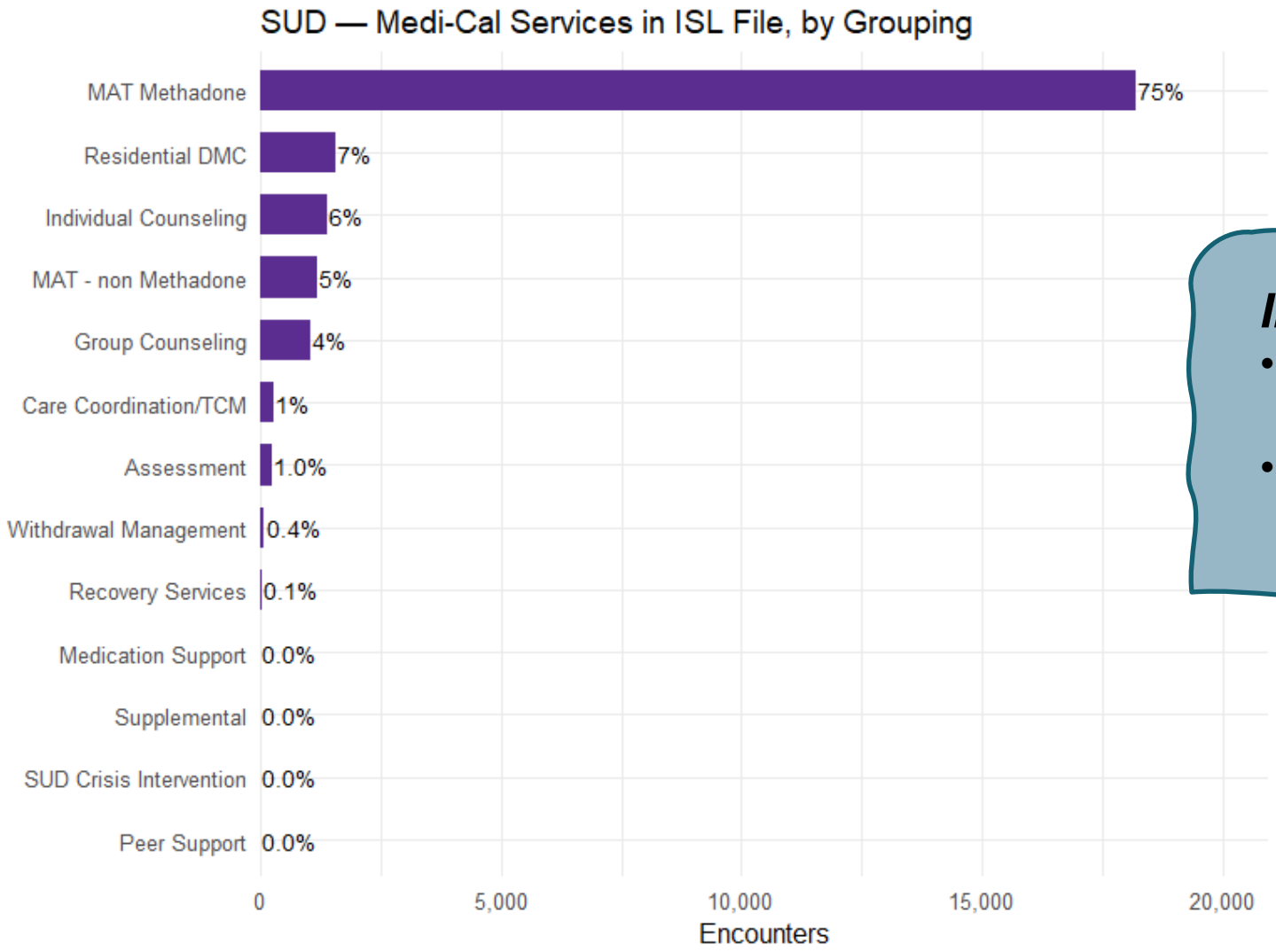
ISL206/207: Rental Subsidy
ISL210: Hotel/Motel Voucher
ISL215/216: Shelter/Plus Programming

Additional Housing Expenses

ISL211: Landlord Outreach & Mitigation
ISL219: Other Housing Expenses

Methadone is the most common Medi-Cal Service in SUD system & ISL File

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

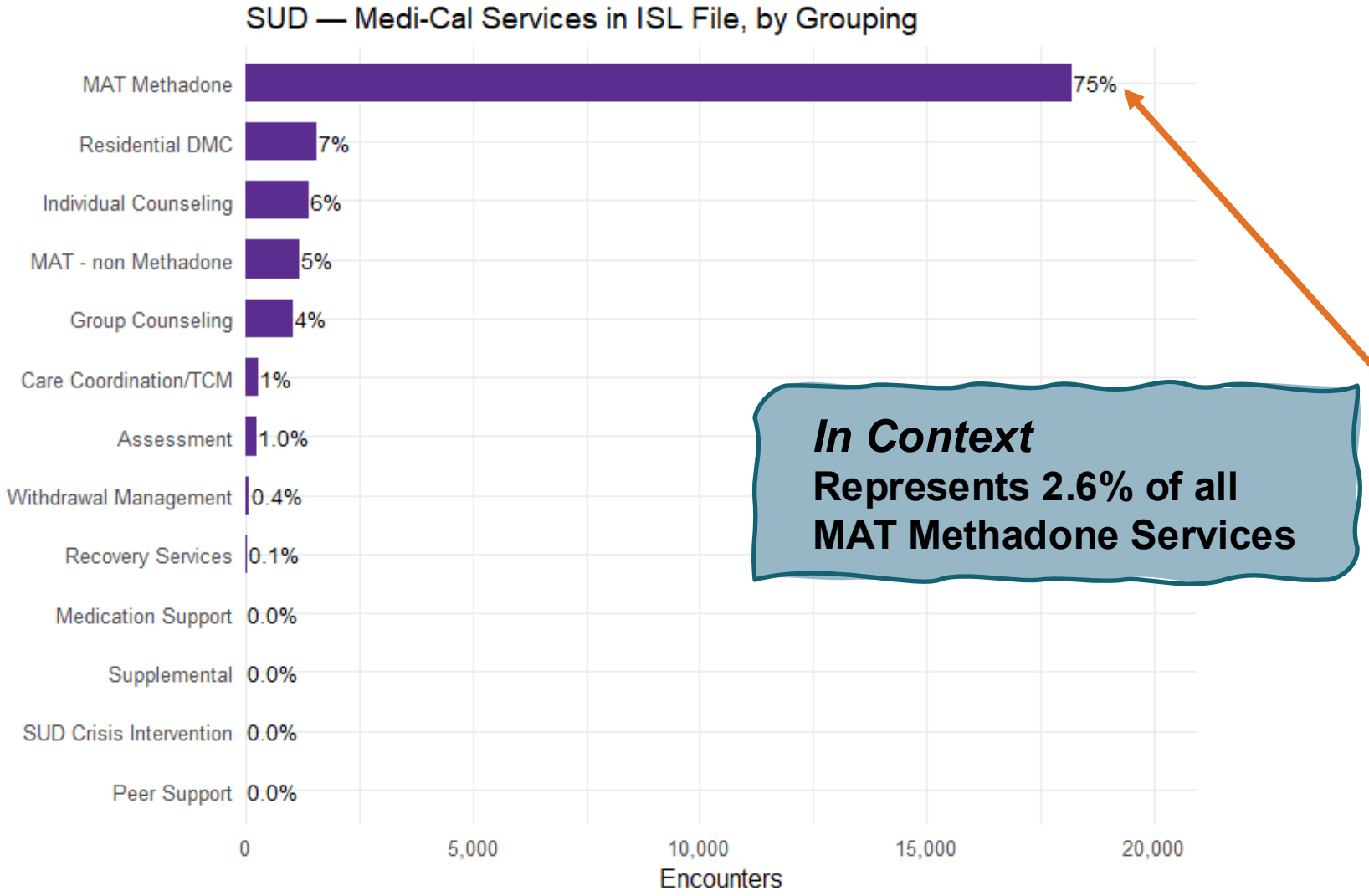


In Context

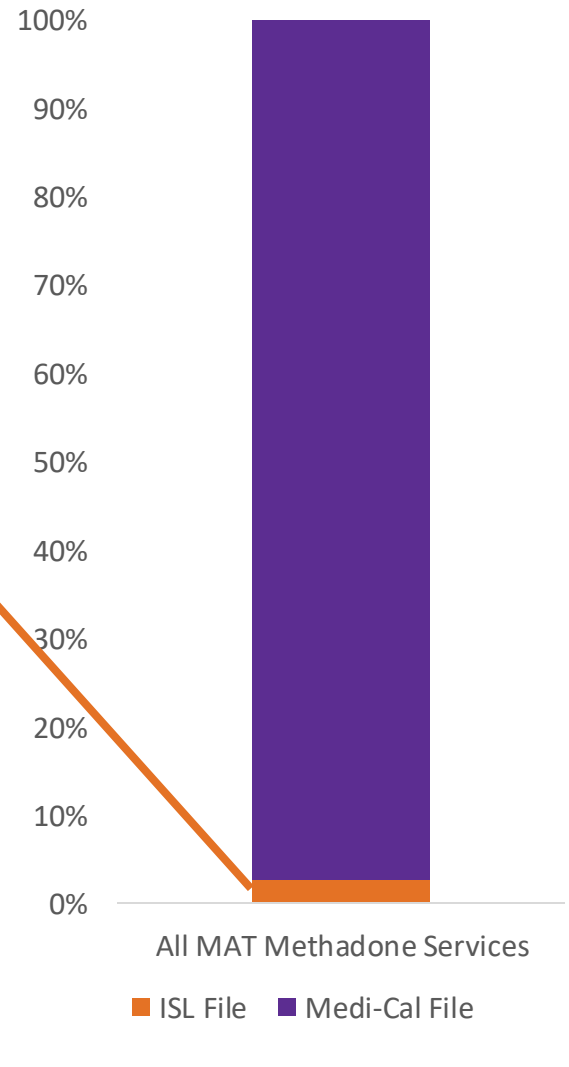
- **Same percentage of MAT Methadone services in SUD system**
- **Sacramento County has highest per capita MAT services statewide**

Methadone is the most common Medi-Cal Service in SUD system & ISL File

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE



In Context
Represents 2.6% of all MAT Methadone Services



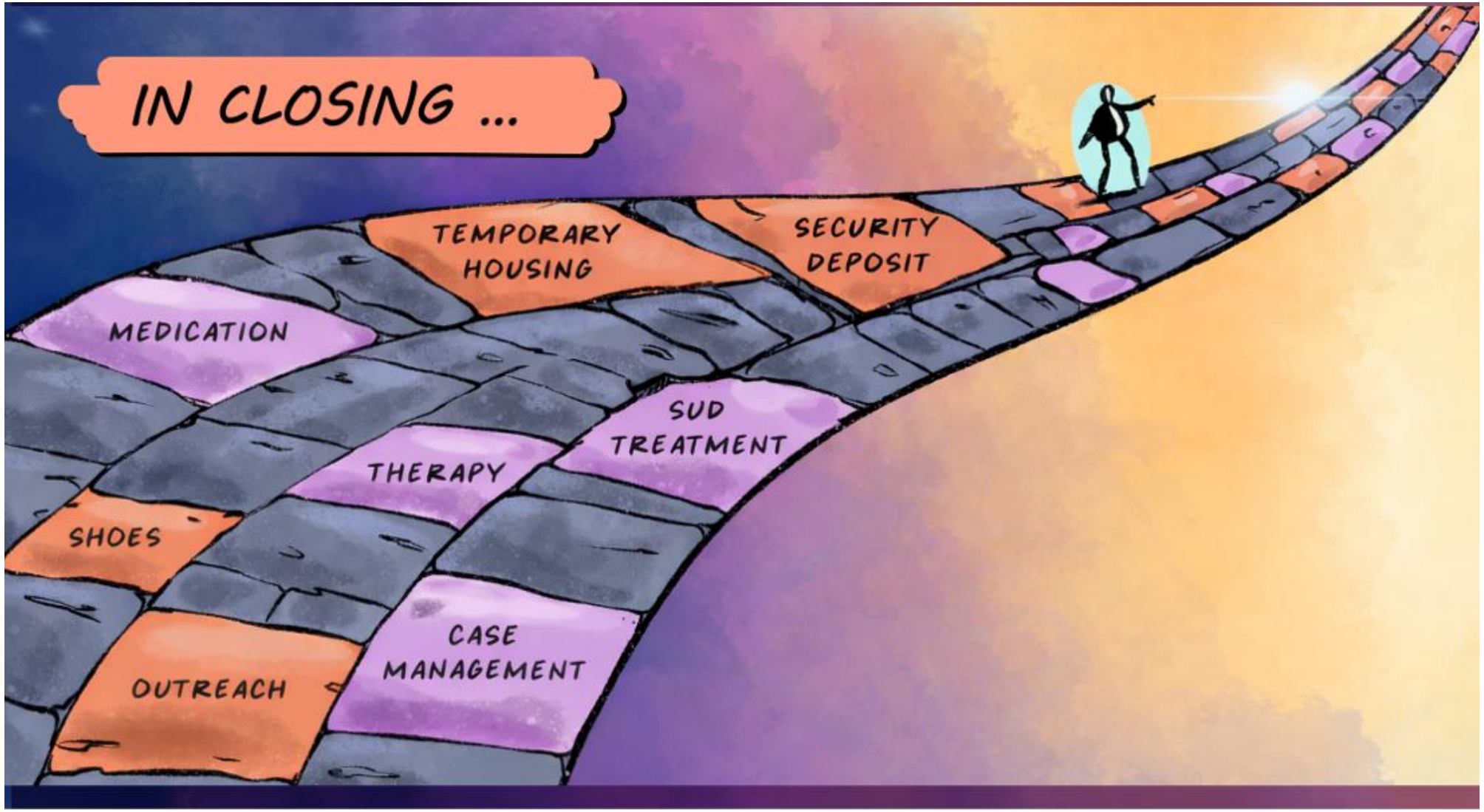
Applying the ISL Framework: Key Takeaways

SUBSTANCE USE DISORDER INTEGRATED CARE CONFERENCE

Early Insights	Using data from before ISL launch provides a partial picture of possible insights
More services & clients	ISL Identifies clients and services beyond those paid for by Medi-Cal
Comprehensive capture of services to Medi-Cal clients	ISL shows non-Medi-Cal resources & supports provided to Medi-Cal clients
Improves outcome tracking	ISL improves understanding of how resource allocation impacts client outcomes

In Closing

Recovery & Resilience



Medi-Cal Non-Medi-Cal Investments

Q&A
Open Discussion

20 YEARS

SUBSTANCE USE DISORDER

INTEGRATED CARE CONFERENCE

Thank you!

ADA Best Practice (1/2)

The following slide will demonstrate formatting for ADA compliance to give your slides the best visual legibility for viewing

ADA Best Practice (2/2)

- Each slide needs to have a unique **Header**, you can achieve this by adding “1 of 2” or (1/2) to the end of related titles that follow.
- Body copy must be set in Arial font, no less than 24pt.
- If your body copy goes beyond the limits of the textbox, continue the body copy on an additional slide, in order to retain the 24pt requirement.
- Any images or graphics need to include Alt Text.
- For more details, see the Notes section of this slide.

ADA Best Practice (2/2)

- Colors used for Headers should be either DHCS Blue or Teal, seen above.
- In some cases, you can use DHCS Orange for the header but the background must be white for ADA compliance purposes.
- Body copy should remain either black or white, depending on the background as long as there is high contrast between the two.