

Getting Ready for ISL: A Practical Guide for County BH Directors

A plain-language look at Individual Service Level (ISL) data — what it is, who does what, and how counties can get ready

Prepared by CalMHSA



TODAY'S SESSION

Agenda

- 01 ● CalMHSA ISL Technical Assistance Overview
- 02 ● Why ISL Matters: Charting a Course
- 03 ● Background: From MHSA to BHSA
- 04 ● ISL 101: What is ISL, Timeline & Key Milestones
- 05 ● Implementing ISL in Four Phases
- 06 ● After Go-Live: How ISL Data Supports BHOATR Reporting
- 07 ● Resources & Where to Get Help



CALMHSA SUPPORT FOR COUNTIES

CalMHSA ISL Technical Assistance Overview

CalMHSA supports every county through ISL training, ready-to-use tools, and a dedicated TA team.



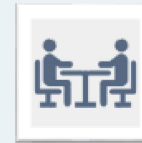
Training

- ISL Orientation webinar
- Contracting & Invoicing Best Practices webinar
- Housing Provider Rate Setting webinar
- Web-based ISL Overview training
- ...and more!



Tools & Templates

- ISL Program Inventory Spreadsheet
- ISL Contract templates
- ISL Invoicing templates
- Housing Provider Rate Setting Tools
- ISL Project Plan
- ISL Provider Memorandum
- ...and more!

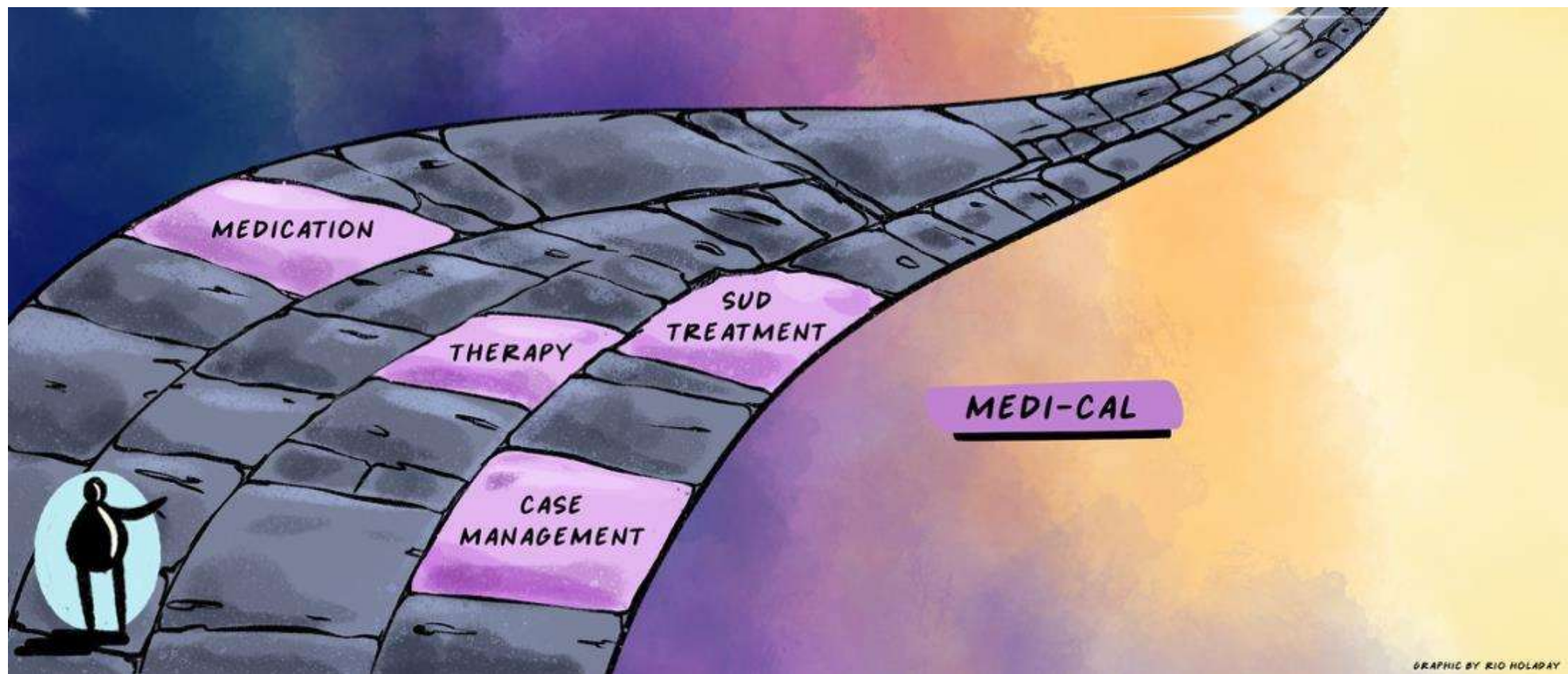


1:1 Support

- Each county is assigned a CalMHSA ISL TA Team (Lead & Coordinator) to provide individualized implementation support

The Why – Charting a Course

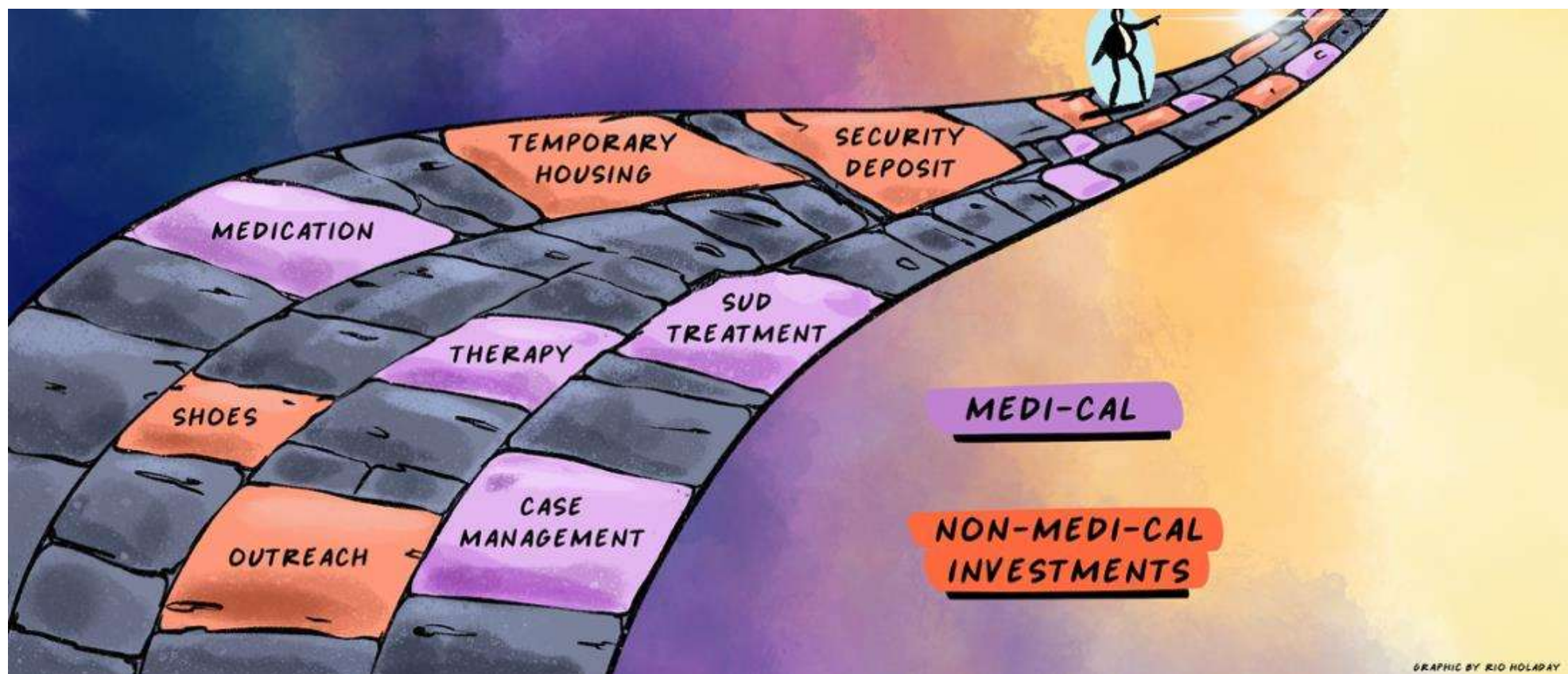
Recovery & Resilience



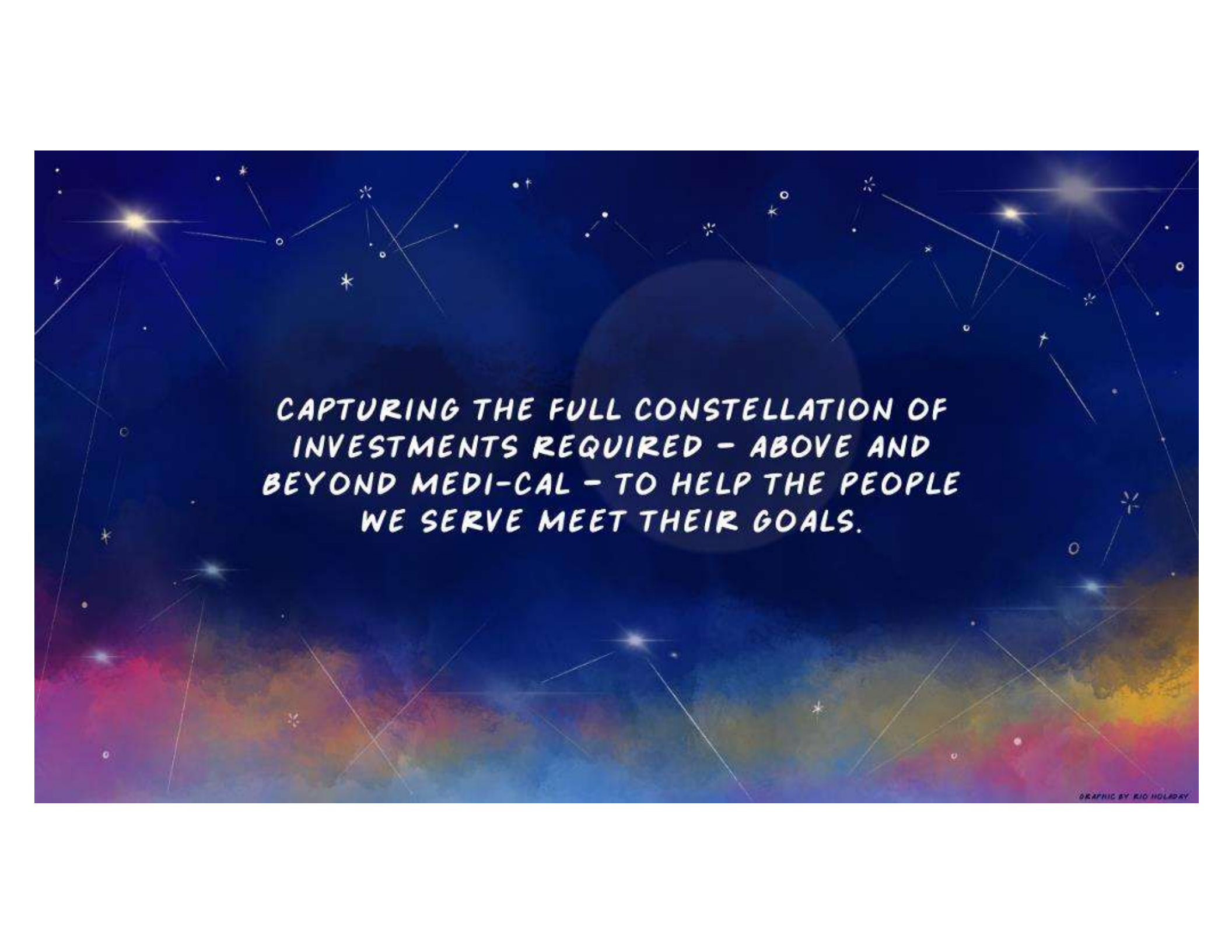
 Medi-Cal

The Why – Charting a Course

Recovery & Resilience



Medi-Cal Non-Medi-Cal Investments

The background is a deep blue night sky filled with numerous white stars of varying sizes. Thin white lines connect some of the stars to form various constellations. At the bottom of the image, there is a vibrant, multi-colored nebula or galaxy with shades of red, orange, yellow, and blue. A large, dark, circular shape is faintly visible in the center of the sky.

**CAPTURING THE FULL CONSTELLATION OF
INVESTMENTS REQUIRED - ABOVE AND
BEYOND MEDI-CAL - TO HELP THE PEOPLE
WE SERVE MEET THEIR GOALS.**



BACKGROUND

From MHSA to BHSA

2004

MHSA passed

Voters approve the Mental Health Services Act, funded by a 1% tax on personal income above \$1 million, to expand public mental health services.

MARCH 2024

Proposition 1

Voters replace MHSA with the Behavioral Health Services Act (BHSA).

JULY 2026

BHSA takes effect

Counties begin operating under BHSA and their initial three-year BHSA Integrated Plans (covering fiscal years 2026-2029).



BACKGROUND

Three Big Shifts Under BHSA



SHIFT 1

New Populations of Focus



SHIFT 2

New Reporting Requirements



SHIFT 3

Increased Accountability



BHSA SHIFT 1 OF 3

BHSA's Expanded Focus



SHIFT 1

New Populations of Focus

People experiencing or at risk of homelessness

People with systems involved or risk (child welfare, justice involved, “institutional” settings)

People living with a Substance Use Disorder (SUD)



BHSA SHIFT 2 OF 3

BHSA's Increased Oversight



SHIFT 2

New Reporting Requirements

Enhanced focus on Evidence Based Practices (EBPs) and Community Defined Evidence Practices (CDEPs)

Service reporting framework (Care Continuum)

Services and expenses not claimable to Medi-Cal (ISL)



BHSA SHIFT 3 OF 3

BHSA's Focus on Outcomes



SHIFT 3

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 services and investments are improving the lives of our treatment population



ISL 101

What Is Individual Service Level (ISL) Data?

ISL is encounter-level data on qualifying behavioral health services and expenses provided to identifiable individuals that are not captured through Medi-Cal claiming and fall within the county behavioral health delivery system or reporting responsibility.

- ✓ **A BHSa-mandated reporting requirement**
Established under the Behavioral Health Services Act; applies statewide to county behavioral health systems and provider networks.
- ✓ **Fills the gap Medi-Cal claims can't**
Applies exclusively to services not reimbursed through Medi-Cal — the piece of the picture claims data alone can't show.
- ✓ **A unified, statewide view**
Gives DHCS and counties one consistent way to see the scope, quality, and consistency of behavioral health services delivered across California.

KEEP IN MIND

ISL ≠ Medi-Cal claims

ISL and Medi-Cal claims (the 835/837) are two different, complementary data streams. Together, they give DHCS a fuller picture of behavioral health service delivery — Medi-Cal-reimbursed and not.

ISL reporting does not generate additional revenue for counties.

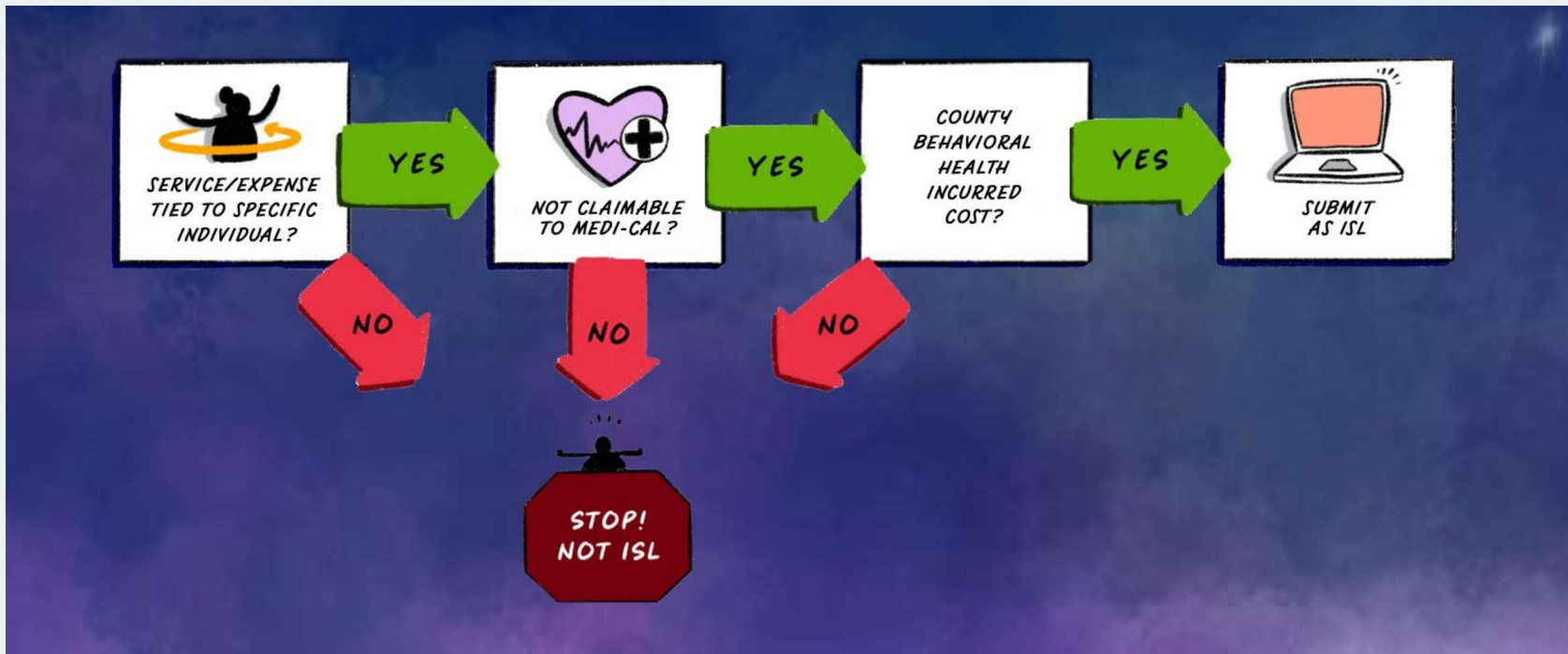
WHO SUBMITS

Counties are responsible for submitting ISL encounter data to DHCS.



ISL 101

Should This Be Submitted as ISL?



If the answer to any question is "No," the service or expense is not ISL-reportable.



ISL 101

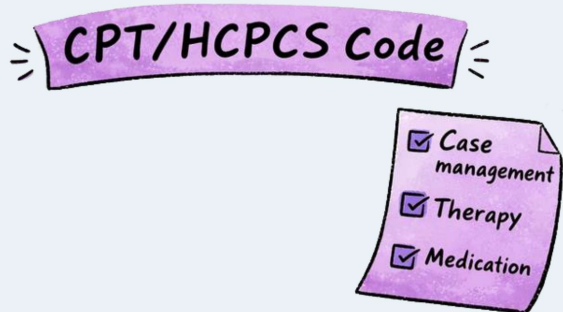
The ISL Code Library Includes Two Code Sets

Staff choose the code that most accurately describes the service or expense delivered.

CODE SET 1

Medi-Cal ISL Code Set

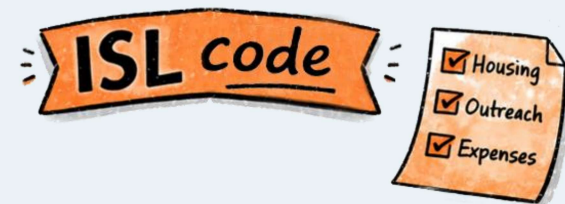
The same CPT/HCPCS codes counties already use for Medi-Cal claims that are not claimed to Medi-Cal because the client is not Medi-Cal eligible on the service date or the service is locked out of claiming.



CODE SET 2

DHCS-Defined ISL Code Set

New ISL-specific codes DHCS created for services and expenses that are not Medi-Cal services and would not be billed to Medi-Cal even if a client was Medi-Cal eligible.





ISL 101

Why ISL Reporting Matters

How DHCS will use ISL data:



Fulfill BHSA reporting, oversight, and compliance requirements



Provide insight into behavioral health service delivery statewide



Support performance and outcomes measurement



Connect services delivered to the funding used to deliver them



Inform future behavioral health policy decisions

WHY THIS MATTERS

BHSA comes with very specific spending requirements and individual service data will help inform county fiscal's ability to allocate actual expenditures to populations.

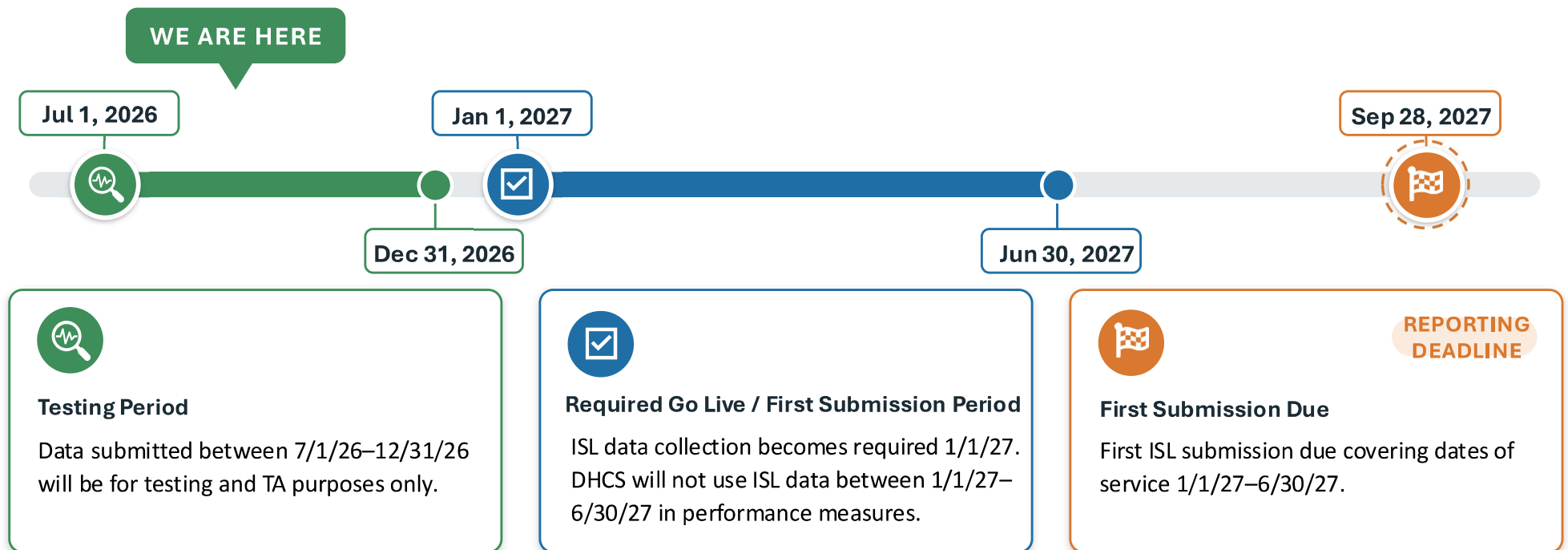
ISL gives counties a way to show impact and represent their non-Medi-Cal investments.

Quality program-level data gives county behavioral health leaders new insight into how services are delivered across the system.



ISL 101

ISL Timeline





ISL 101

ISL Implementation Milestones

Milestone	Effort
1. Map EHR programs to Care Continuum and BHSA service components Requires program-by-program review and decisions about how services map to the Behavioral Health Care Continuum and BHSA Components. Includes identifying programs that may currently be in the county's EHR and those that may not be but now should.	High
2. Review EHR program services to identify non-billable activity for ISL code alignment Requires analysis of current non-billable code usage and, for programs new to the EHR, analysis of what non billable activity takes place. Assign ISL codes needed to each EHR program.	Medium
3. Configure EHR for ISL data capture and reporting Requires EHR setup for programs, users, and codes so ISL services are captured for reporting without triggering Medi-Cal claiming.	High
4. Establish ISL data collection approach Requires decisions about where and how ISL data will be captured, who is responsible, and how data quality will be monitored across different service categories (outpatient, acute/subacute, housing, expenses).	High
5. Update contracts and invoicing processes, as needed Level of effort may vary depending on provider type and existing provider contracts/workflows.	Low-Medium
6. Communicate changes and train provider network Requires clear communication and training materials.	Medium
7. Test and validate ISL data extracts Requires initial ISL data capture, submission file development, validation against DHCS rules, testing, and issue resolution.	High

Implementing ISL in Phases



IMPLEMENTATION OVERVIEW

ISL Implementation in Four Phases

Counties move through four phases to be ready for mandatory ISL reporting on January 1, 2027.





PHASE 1

Socializing County Staff to ISL

In Phase 1, counties set up the people, resources, and implementation cost tracking to launch ISL.

1

Orient County Staff to ISL Resources

Review CalMHSA's ISL resources and DHCS-published ISL guidance to build staff readiness.

2

Designate County ISL Implementation Leads

Identify county leads for different ISL implementation workstreams (further reviewed in Phase 3).

3

Institute a Tool to Track ISL Implementation Costs

Implement a tracking tool to identify and monitor the ongoing costs of ISL implementation. Allowable BHSA administrative expenses can be claimed per BHIN 25-016.

Getting Help from CalMHSA

- Resource website: [CalMHSA ISL Resources for Counties](#)
- Submit ISL inquiries using the [ISL ticket form](#)
- Contact your county's assigned CalMHSA ISL TA Team for support

DHCS ISL Resources

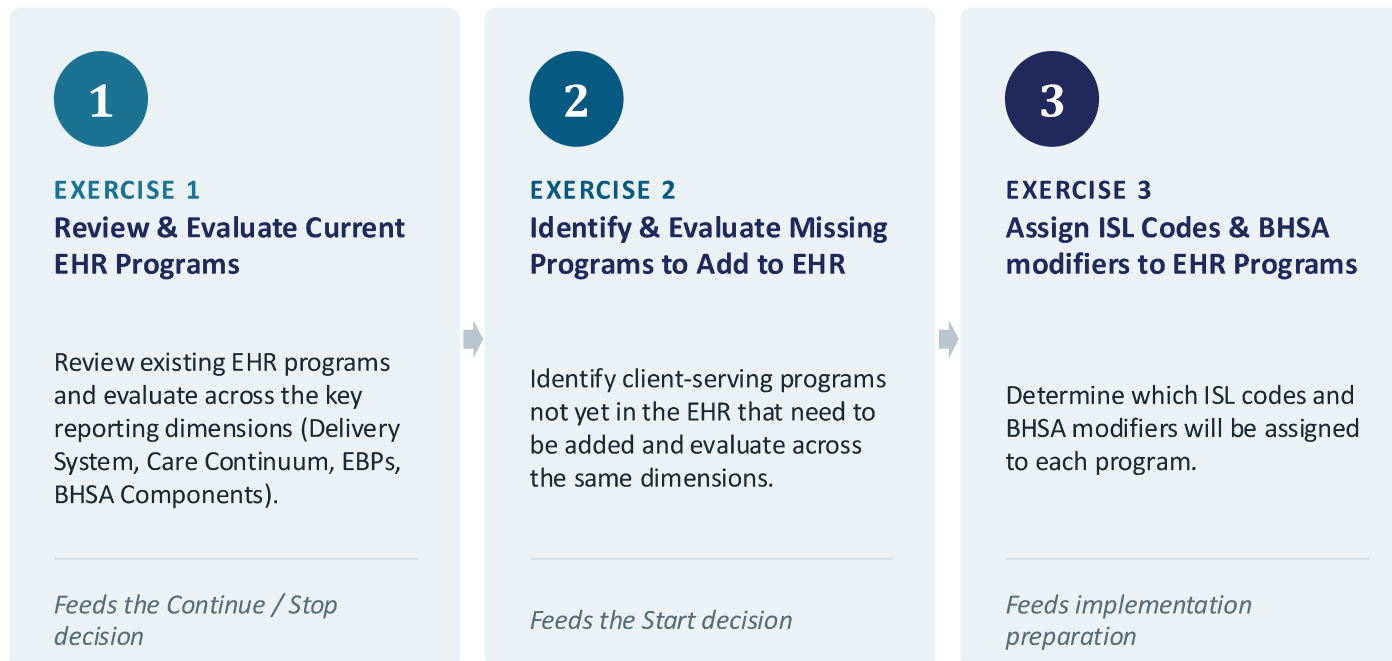
- [Individual Service Level Encounter Reporting | DHCS](#): Encounter Reporting Guidance, Code Library, Encounter Fields, FAQs
- Additional ISL technical specification resources are maintained within **DHCS ISL Portal** (county login required)



PHASE 2

Program Inventory & Mapping

The Program Inventory “Stop, Start, Continue” work is organized into three core exercises.



Rule of thumb: if a program has 2+ attributes within a single mapping dimension, it's flagged for evaluation / potential disaggregation.



PHASE 2

The Stop, Start, Continue Framework

STOP

Evaluate programs that present with flags and evaluate if they need to stop and be disaggregated

START

Determine what new programs need to be started in the EHR

CONTINUE

Determine which programs map cleanly and may continue as they currently exist



PHASE 3

Implementation Preparation – Who Does What

ISL readiness isn't one project — it's coordinated work across several county behavioral health teams.

FOUR COORDINATED WORKSTREAMS



EHR System Administration

System and program configuration



BHSA / QA / Compliance

Policies, workflows, training, and monitoring



Contracts

Provider requirements and contract readiness



Fiscal

Rates, financial workflows, and reporting alignment

Teams coordinate on policy ↔ configuration ↔ contracts ↔ financial workflows



PHASE 3 – IMPLEMENTATION

Workstream: EHR System Administration



RECOMMENDED LEAD
EHR System Administrators

WHAT THIS TEAM OWNS

System and program configuration needed to capture and report ISL encounters.

CORE RESPONSIBILITIES

- Create Start programs; maintain Continue programs; modify or disaggregate Stop/Evaluate programs.
- Activate required ISL service codes and associate the correct codes with each program.
- Configure users, permissions, and data-entry access.
- Load applicable rates, referencing the ISL Encounter Reporting Guidance, Appendix A.



QUESTIONS WORTH ASKING

- Do technical staff have access to the DHCS ISL technical specification resources?
- Are the ISL codes configured and ready to use?
- Is the system configured to align with DHCS ISL encounter fields and reporting specifications?
- Is the system configured to appropriately trigger ISL reporting vs. Medi-Cal claiming for Medi-Cal codes?
- Which configurations are waiting on another dependency?
- Are outstanding defects assigned and documented?



PHASE 3 – IMPLEMENTATION

Workstream: BHSA / Quality Assurance / Compliance



RECOMMENDED LEAD

BHSA, QA, or county-designated policy lead

WHAT THIS TEAM OWNS

Policies, procedures, workflows, training, and monitoring for ISL reporting.

CORE RESPONSIBILITIES

- Develop county ISL policies and procedures.
- Support / validate program mapping to BHSA categories in coordination with clinical, contracts, and other teams as needed
- Coordinate staff and provider training, job aids, and escalation procedures.
- Align policies and procedures with EHR configurations and system capabilities.



QUESTIONS WORTH ASKING

- Do our planned ISL policies and procedures include the responsibilities for our county and contract provider staff?
- Do teams understand what is and is not ISL-reportable?
- Who owns ongoing data-quality monitoring?



PHASE 3 – IMPLEMENTATION

Workstream: Contracts



RECOMMENDED LEAD

Contracts, Procurement, or provider contracting team

WHAT THIS TEAM OWNS

Provider agreements and exhibits that clearly communicate ISL responsibilities.

CORE RESPONSIBILITIES

- Take full inventory of all network provider agreements and their scope — identify contracts that interface with clients and may fall into the scope of ISL.
- Coordinate the integration of ISL documentation, submission, timeliness, accuracy, correction, retention, as updates to existing exhibits or new exhibits.
- Plan provider communications and provisions for unique arrangements.
- Set an amendment/execution timeline.



QUESTIONS WORTH ASKING

- Which contracts require amendment?
- Do the contract terms plainly state what providers are being asked to do under ISL?
- How will we support providers in meeting those expectations?



PHASE 3 – IMPLEMENTATION

Workstream: Fiscal



RECOMMENDED LEAD

Behavioral Health Fiscal Team

WHAT THIS TEAM OWNS

Rate determinations, encounter value methodologies, and leveraging ISL data outputs to support allocation of actual expenditures across BHOATR

CORE RESPONSIBILITIES

- Provide methodologies needed to support ISL Encounter Value (rates) across ISL codes.
- Assess program mapping and ISL data output, along with other needed analytic variables to determine whether the county has enough basis for allocating actual behavioral health expenditures into the BHOATR.

SEAPARATE BUT RELATED – FISCAL SHOULD PREPARE FOR PROVIDER FUNDING QUESTIONS

- Is ISL-adjacent work already included or at least implied contractual responsibilities?
- If so, is that enough to require encounter reporting without additional reimbursement?
- If not, what are the talking points the county is preparing to deal with contractor requests for more funding?



QUESTIONS WORTH ASKING

- Are we using our Medi-Cal practitioner rates for the encounter value for time-based ISL codes? If not, WHY?
- Can you walk me through the methodology planned for setting encounter values for day-based ISL codes?
- Can you walk me through the methodology planned for representing expense-based ISL code encounter values?
- Do the proposed EHR program configurations support what we need to allocate our real costs across the BHOATR?
- What is our plan to address provider requests for more funding to implement ISL?



PHASE 4

Phase 4 – Testing

Phase 4 — Testing (Optional)

☐ **Test data extracts**

Test ISL data extracts from the EHR to confirm formatting and completeness

☐ **Validation Test Plan**

Complete the ISL Validation Test Plan, provided by CalMHSA (forthcoming)

☐ **Submit encounters to DHCS**

Following extract testing and validation planning, submit ISL encounters to DHCS during the testing period

Submitting test files to the DHCS ISL Portal between for ISL services delivered between 7/1/26 and 12/31/26 is optional but encouraged.



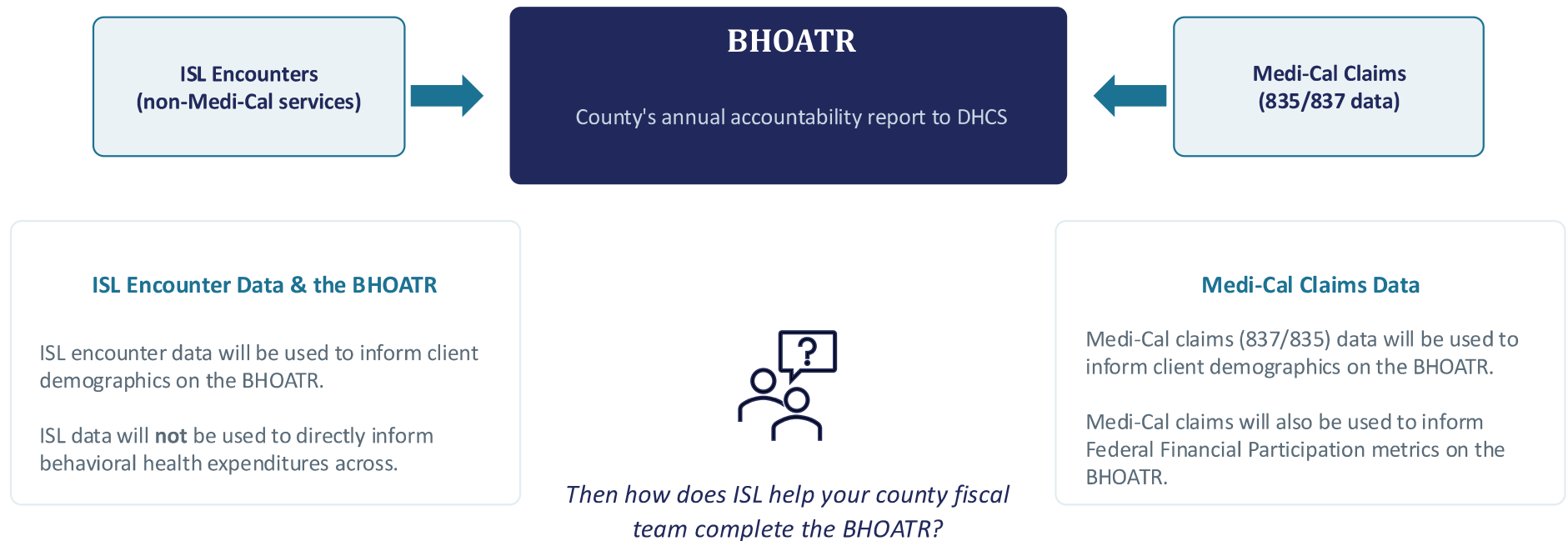
After Go-Live: How ISL Data Supports future BHOATR Reporting



ISL & STATE REPORTING

How ISL Feeds the BHOATR

The Behavioral Health Outcomes, Accountability, and Transparency Report (BHOATR) is a comprehensive reporting instrument implemented by BHSa which will take data from two key: 1) ISL Encounters, and 2) Medi-Cal Claims



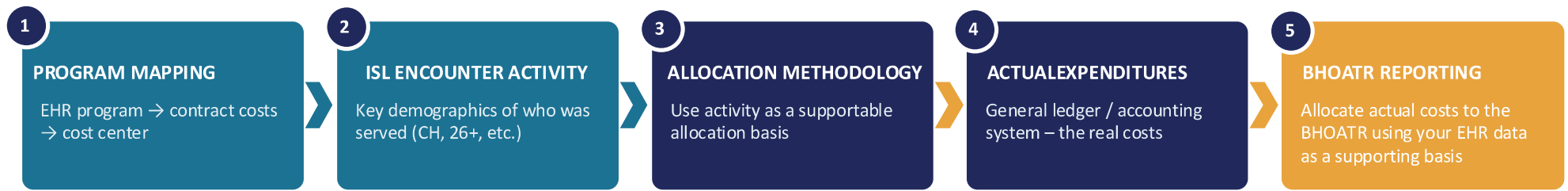


ISL & STATE REPORTING

From ISL Activity to BHOATR Expenditures

Use ISL to describe activity and populations served, then allocate actual accounting-system expenditures.

ISL encounter values are proxy representations, not actual costs. They should be used as the basis to allocate your real costs to the BHOATR



WHAT THE EHR / ISL DATA CONTRIBUTES

- Program and BHSA mapping
- Client demographics and populations served
- Relative encounter activity for allocation

WHAT THE ACCOUNTING SYSTEM CONTRIBUTES

- Actual expenditures by contract and cost center
- Reconciled ledger totals and fiscal controls
- The dollar amounts ultimately reported in BHOATR

BOTTOM LINE

Do not turn the EHR into an accounting system. Use it to create a defensible bridge from service activity to actual expenditures.



RESOURCE OVERVIEW

Resources & Where to Get Help

KEY RESOURCES

[DHCS — ISL Encounter Reporting](#)

ISL Encounter Reporting Guidance, ISL Code Library, ISL Encounter Fields, ISL FAQ, ISL End-to-End Workflow

[CalMHSA — ISL Resources for Counties](#)

ISL Orientation Webinar materials, Boilerplate Contracts templates, Housing Provider Rate Setting tools, Non-billable Code Review Considerations, Program Mapping Concepts, Program Inventory Template, ISL Project Plan, ISL Provider Memo, and more!

[CalMHSA — ISL Resources for Providers](#)

Housing Provider rate setting tools

[What Individual Service Level Data means for Behavioral Health Explainer Video](#)

WHERE TO GET HELP

Submit an ISL ticket to CalMHSA

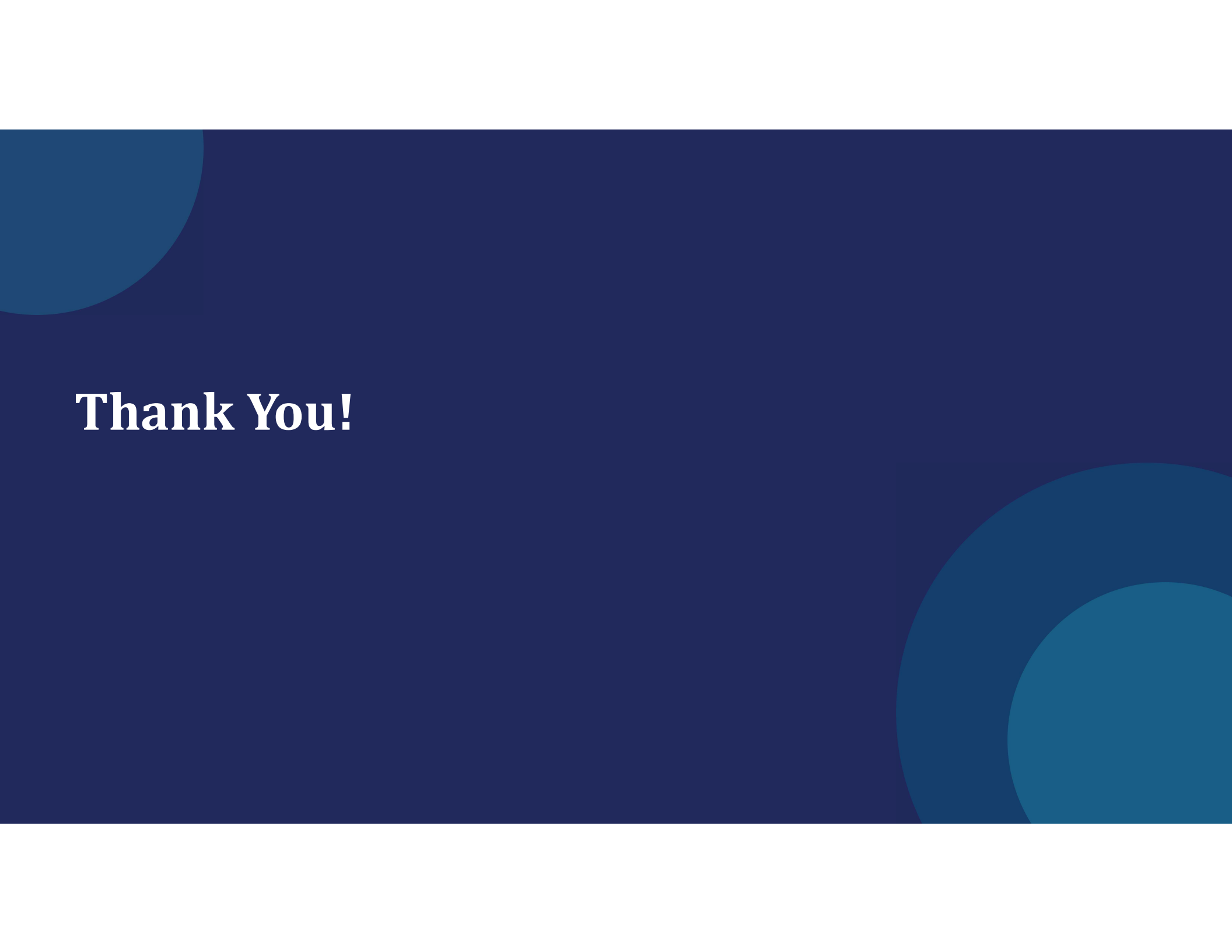
[ISL Ticket - California Mental Health Services Authority](#)

CalMHSA Technical Assistance

Currently available through the 3/1/26–12/31/26 planning and implementation periods. Contact your county's assigned ISL TA Team for individualized support.

[DHCS ISL Portal \(county login required\)](#)

Includes a resource center with guidance on using the portal (with a link to submit portal questions to DHCS) and **ISL technical specification documentation**.



Thank You!