All Treatment Provider Meeting and Sage Advisory Meeting Opening

- Federal Updates
- Summary of 2024 Overdose & Poisoning Findings

Michelle Gibson, Bureau Deputy Director
Substance Abuse Prevention and Control Bureau
July 15th, 2025

Federal Updates

H.R. 1 – Signed Federal Actions: What Will be Implemented

Medicaid (Medi-Cal) Changes		
Federal Change	**Effective Date**	**SUD Impact**
Cost sharing (Co-Pays) • SUD is EXEMPT	10/1/2028	• Up to $35 per service for non-exempted services for post-ACA adults with incomes 100-138% FPL. • SUD, mental health, and primary care services and services provided by behavioral health clinics and FQHCs/RHCs are exempt but anticipate indirect adverse effects.
Work Requirements • SUD is EXEMPT	No later than 12/31/2026	• 80 hours of work or qualifying activities each month for post-ACA adults with some exceptions. • SUD clients are exempt and states will be required to conduct additional data matching to confirm eligibility for these exemptions, but anticipate indirect adverse effects.
Redetermination Period Reduced	12/31/2026	• Reduced from 12-months to 6-months. • SUD clients impacted and subject to reduced Medi-Cal redetermination period.
Retroactive Billing	12/31/2026	• Reduced from 3-months to 1-month for post-ACA or 2-months for pre-ACA eligible enrollees. • SUD clients impacted and subject to reduced Medi-Cal retroactive billing period.

For more information see Tracking the Medicaid Provisions in the 2025 Reconciliation Bill | KFF

COST SHARING (CO-PAYS) AND WORK REQUIREMENTS SUD, MENTAL HEALTH & PRIMARY CARE SERVICES & SERVICES AT BH CLINICS, FQHCS, OR RURAL CLINICS ARE EXEMPT

What will SAPC do?

- Develop messaging plan to emphasize that SUD is exempt – clients can enroll or continue treatment without additional fees but need to report attendance as required to maintain benefits.
- Collaborate with DHCS and DPSS to ensure any tracking systems are not complicated and to train staff about the exemptions and to encourage participation.

What should provider agencies do?

- Ensure staff are prepared to educate clients and stakeholders about when these changes begin, who is excluded and the benefits for engaging in DMC services.
  - Cost sharing (co-pays) for non-SUD or MH services begins 10/1/28.
  - Work requirements for non-SUD or MH clients begins no later than 12/31/26 – pending California implementation date.

ELIGIBILITY REDETERMINATIONS CHANGE FOR 12- TO 6-MONTHS

What will SAPC do?

- Work with DHCS and DPSS on processes to minimize loss of benefits and streamline paperwork needed when possible.
- Identify any opportunities to increase visibility in available tools for providers.
- Engage Board of Supervisors (BOS) if support is needed to assist in cross-Department coordination and resolution.
- Identify if there are collaborative opportunities with the health plans.

What should provider agencies do?

- Optimize Medi-Cal enrollment and redetermination processes to minimize disruptive impacts of this policy
- Actively use AEVS and other tools monthly to ensure active enrollment.
- Require direct service staff to know when clients need to submit Medi-Cal redetermination paperwork and use the care coordination benefit to proactively work with clients to prevent benefits loss.
- If a redetermination is missed and an eligible client loses benefits, use non-SAPC funds to prevent a gap in care.

REDUCTIONS IN RETROACTIVE ELIGIBILITY FROM 3-MONTHS TO 2-MONTHS PRE-ACA ELIGIBLE AND 1-MONTH POST-ACA

What will SAPC do?

- Work with DHCS to implement strategies that increase contractor visibility of eligibility status such as adding County of Residence along with Responsibility in AEVS and making the effective date upon request versus completion.
- Expand technical assistance and training to support provider agency and staff understanding.
- Work with County partners such as DPSS and BOS

What should provider agencies do?

- Educate staff and stakeholders that this change begins 1/1/27.
- Proceed with admissions for those applying for Medi-Cal and implement strategies before by the deadline that support expedited referrals to DPSS and enable clients to complete the process quickly.

Other Potential and Actual SUD System Impacts

- **Medicaid Proposals Not in the Signed Bill but Likely Subject to Future Consideration:**
  - 10% FMAP (federal match) penalty for states that provide Medicaid coverage for people with Unsatisfactory Immigration Status (UIS)
  - Unofficial rumblings about exploring changing intergovernmental transfer rules (in other words, SAPC would be more limited in what it can use to draw down Medicaid dollars, which could constrict the growth of treatment services)

- **Other SUD Potential Changes:**
  - Consolidation of Substance Use Block Grant (SUBG), MH Block Grant, & State Opioid Response funding

Potential Medicaid Waiver Risks

- **1115 waivers** *(higher risk)*
  - IMD Exemption
    - The recent renewal of Nebraska is good, but re-evaluation of budget neutrality is a risk
  - CalAIM PATH Justice-Involved (90-day in-reach)
  - Contingency Management
  - BH-CONNECT, including Transitional Rent
  - Peer Support Specialists
  - Community Supports
  - Enhanced Care Management
  - Traditional Health Care Practices

- **1915 waivers** *(lower risk)*
  - DMC-ODS

Federal ICE-Related Activities

- Please ensure staff familiarize themselves with suggestions to minimize ICE-related risks in SAPC email from 6/17/25
- Providers may notify SAPC to escalate specific concerns (harassment or detention of staff or clients, etc.) with County leadership

Individuals with Unsatisfactory Immigration Status (UIS)

- Broad advocacy for continued state coverage/intervention
- County/SAPC determining mechanism to support population and SUD service needs.

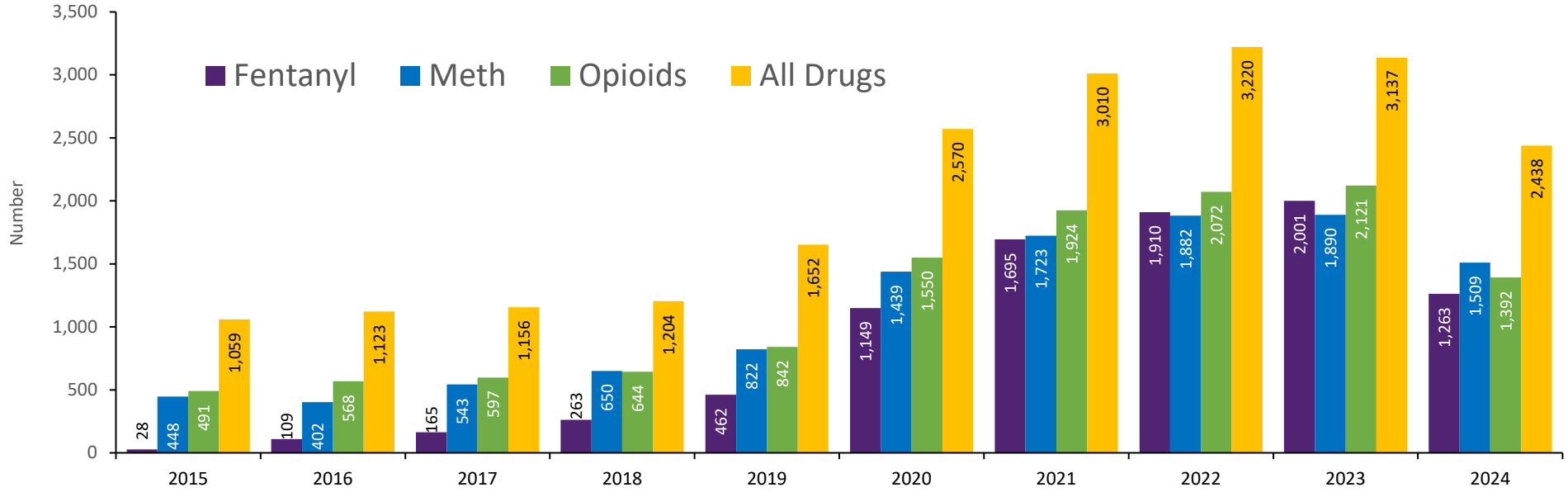
DISCUSSION

What comments, questions or concerns do you have about the material discussed?

Summary of 2024 Overdose & Poisoning Findings

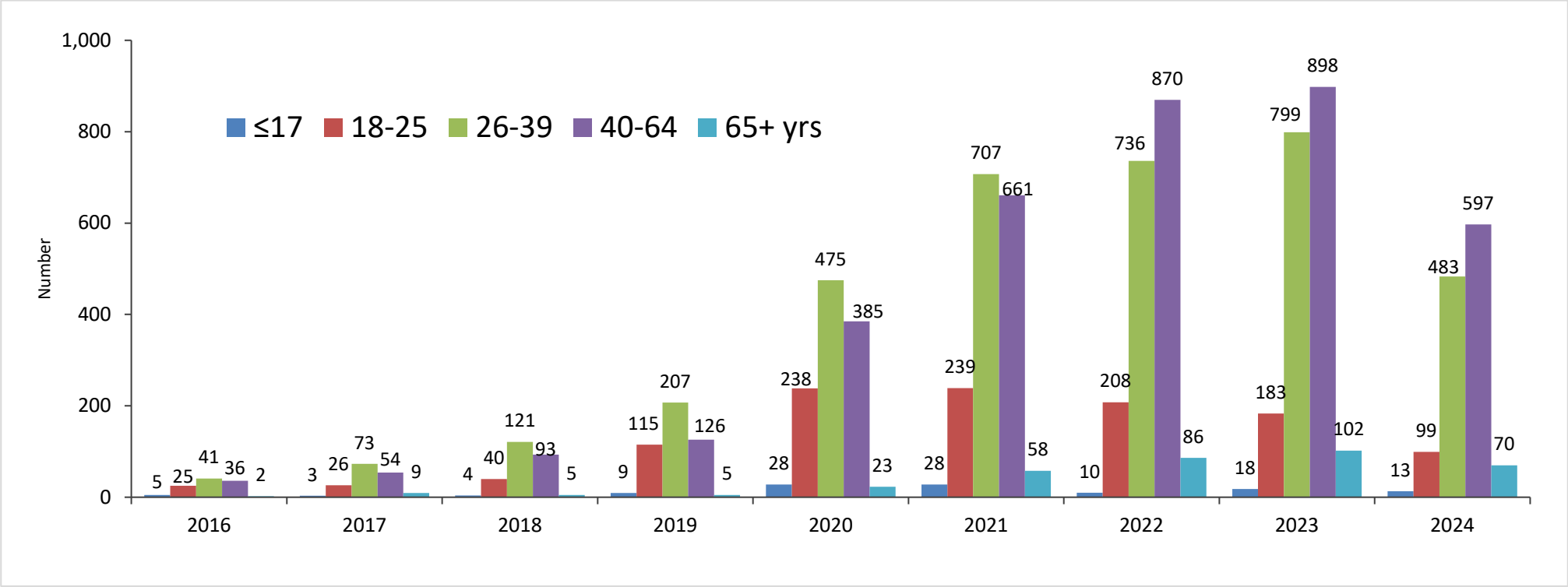
Dr. Brian Hurley, Medical Director

Most Significant Drop in Drug-Related Overdose Deaths in LA County History



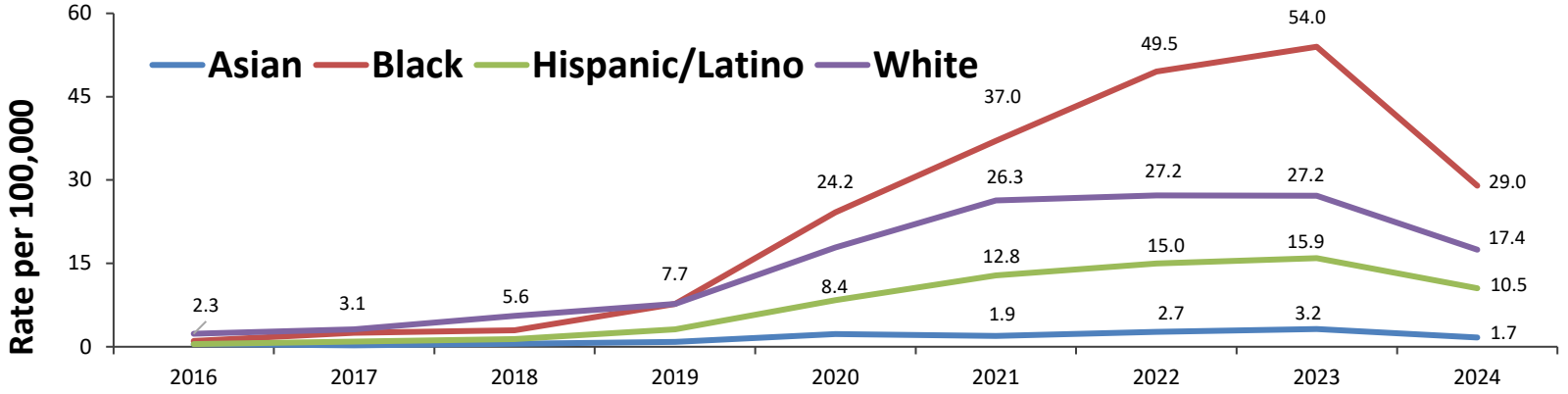
- **In 2024, Los Angeles County experienced a 22% decline in overall drug-related overdose and poisoning deaths compared to the prior year.**
  - 37% reduction in fentanyl-related deaths
  - 20% reduction in methamphetamine-related deaths
- **Fentanyl deaths dropped below that of methamphetamine-related deaths.**
  - The proportion of overdose deaths involving fentanyl declined to 52%, down from 64% in 2023.

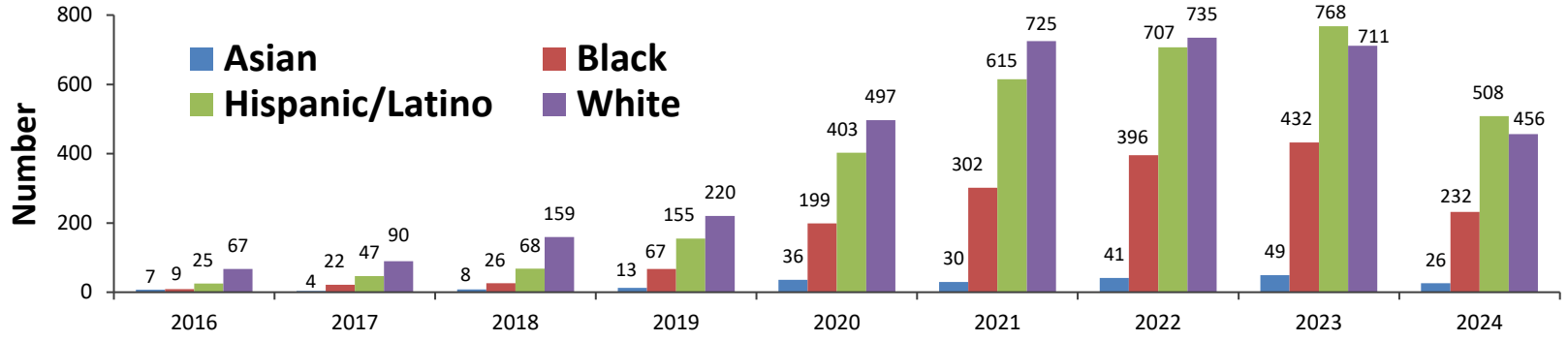
Fentanyl-Related Overdose Deaths by Age Group



- In 2024, fentanyl overdose deaths occurred most often among adults between **ages 40 - 64**, followed by adults between **ages 26 - 39**.

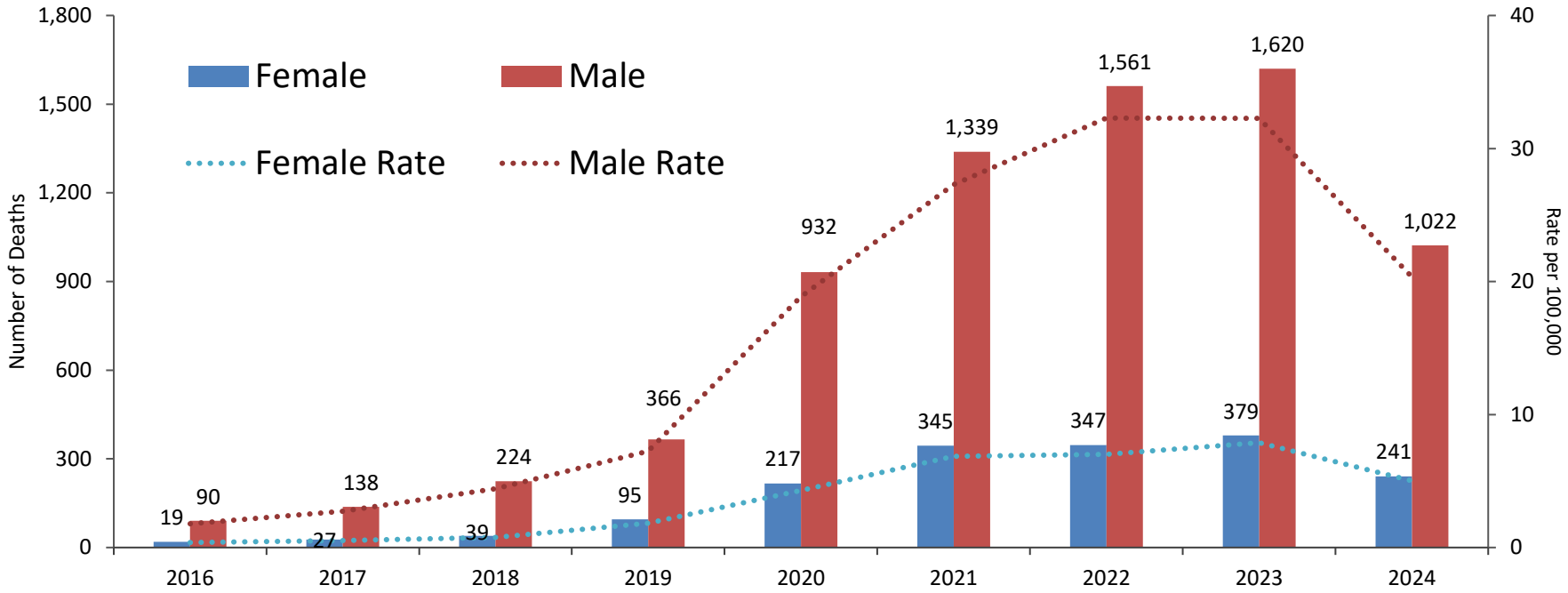
Fentanyl-Related Overdose Deaths by Race/Ethnicity





- **Black** residents are disproportionately represented in overdose and poisoning death rates, whereas **Latinx** and **White** individuals represent the highest raw numbers of fatalities

Fentanyl-Related Overdose Deaths by Gender



- **In 2024, males continued to account for more fentanyl overdose deaths than females.**
  - This gender disparity remained the same as that in 2023, with males being 4.1x more likely to die from fentanyl-related overdoses or poisonings as females.
- **Fentanyl overdose deaths decreased similarly for males (37%) and females (36%).**

Key Summary

- The Los Angeles County Department of Public Health's Substance Abuse Prevention and Control Bureau has used a service continuum framework to address the overdose crisis by expanding substance use prevention, harm reduction, treatment, and recovery services every year since 2017.
- The significant drop in drug-related overdose deaths and poisonings in 2024 demonstrate that this broad service continuum approach to community-based overdose prevention is working.
- Overdose numbers have dropped nearly to pre-pandemic levels, but are still more than double overdose deaths from 2018, so there is still much work to do. However, the data shows that the overdose crisis is not intractable – working together, a public health approach can advance our shared goals of healthier people, safer streets, and stronger communities.