Communication Release
08/15/2025

Upcoming Sage Billing Configuration Updates

SAPC Finance is working with Netsmart to update Sage's billing code configuration to fix errors implemented from the Rates Matrix provided by the Department of Health Care Services (DHCS) and update changes recently made by DHCS. The information below outlines the upcoming changes for FY 24-25 and 25-26. SAPC anticipates that these changes will be completed by late-September 2025. As the changes are completed, SAPC will communicate updates through future Sage Provider Communications. The majority of changes for FY 24-25 noted below have been completed for FY 25-26 and SAPC is now addressing the changes for FY 24-25. Some changes will be noted for both fiscal years as they were recently communicated by DHCS. Details of the changes will be noted on the updated Rates Matrix when it is posted to the SAPC website and will be communicated in more detail when the changes are completed. Questions regarding these upcoming changes can be emailed to SAPC-Finance@ph.lacounty.gov.

FY 24-25 Upcoming Changes

- Remove fees that remained after previous adjustments were made to the residential and WM bundles.
    - 99415 fees for residential LOCs
    - 90849 fees for 1.0-WM
    - 992** fees for 1.0-WM
- Remove fees for 99368 for all levels of care when delivered by an Occupational Therapist or Occupational Therapist Clinical Trainee. These were inaccurately configured in Sage as DHCS does not allow this service to be delivered by practitioners with this license type.
- Remove fees for H2017 for all levels of care when delivered by a Registered Nurse or Registered Nurse Clinical Trainee. These were inaccurately configured in Sage as DHCS does not allow this service to be delivered by practitioners with this license type.
- Add missing row for H2010N code for 2.0-WM tier 3.
- Add missing 90849 tier 2 rates for 2.1.
- Remove GC and HL modifiers from codes where Medicare COB is not required.
- Update allowable modifiers for non-DMC service codes on the Billing Rules tab.
- Update telehealth modifiers to add either 93 and/or 95 and 02 and 10, place of service codes, as applicable per new DHCS policy.
- Add SC modifier and 02 and 10, place of service codes, to H0007.
- Update codes on the CPT Add On Codes tab to remove non-DMC codes and some non-applicable DMC codes.
- Add rates for Licensed Psychiatric Technician (LPT) and LPT Clinical Trainees for codes H0020, S5000s, and S5001s.

FY 25-26 Upcoming Changes

- Correct available codes for Community Health Workers across the tiers.

- Update telehealth modifiers to add either 93 and/or 95 and 02 and 10, place of service codes, as applicable per new DHCS policy.
- Add SC modifier and 02 and 10, place of service codes, to H0007.

Referral and Appointment Disposition Workflow Updates

Effective Monday, September 1, 2025, the new Referral and Appointment Disposition workflow will be required for all direct to provider referrals, including both primary and secondary providers, not referred by SASH/CENS or CORE. SAPC bulletin 25-11 was released on 8/13/2025, which describes the policy and requirements.

As announced during the July provider meeting, SAPC is making updates to the Referral and Appointment Disposition workflows, which includes the *Referral Connections form* and the *Appointment Disposition form*. The data from this workflow is required by DHCS and SAPC to ensure access to care standards are met. Additionally, this data is analyzed by SAPC regularly to identify referral and appointment patterns within the network that may need to be addressed administratively. The specific changes are meant to simplify and streamline the process to allow for providers to quickly enter the required information.

A feedback session was held on Friday, July 31, 2025, with representation from the majority of providers. This feedback was incorporated into the forms as appropriate. SAPC will be releasing the new Referral Connections form and new Appointment and Referral Disposition form into the TRAIN environment by Monday 8/18/2025 with a new recorded training to be available in the SAPC-LNC by Wednesday, August 20, 2025. Providers will have the opportunity to offer additional feedback to be considered.

Diagnosis Record Entry

SAPC has noticed several Diagnosis forms in Sage with only a Mental Health diagnosis listed. For patients with established medical necessity, it is required to have the substance use related diagnosis be the primary diagnosis. If an Update Diagnosis record is created, providers can pull forward the last diagnosis and add or resolve diagnoses as appropriate.

As a reminder, providers should only have one Admission diagnosis per patient, per episode, and subsequent diagnosis are entered as an "Update" diagnosis. To pull forward the diagnosis for a record, choose your episode in the **Select Episode to Default Diagnosis Information From,** then select the record you would like to pull forward from the **Select Diagnosis Entry to Default Information From**; typically, this would be the most recent record.

For additional information on how to complete the Diagnosis form in Sage, please see Clinical Documentation Guide on the SAPC Sage website.

Progress Note Status Report Update

The Progress Note Status Report has been updated to reflect the new Progress Note field, "Applicable Services Provided," which notes whether MAT Education (H2010M) and/or Naloxone Handling/Distribution (H2010N) services were provided during a patient encounter. The updated version of the Progress Note Status Report will be pushed to LIVE on Monday, August 18, 2025.

Please note, when running the report there may be a 15 to 20-minute delay for completed Progress Notes to generate onto the report. Sage-MD continues to work with Netsmart to decrease this delay.
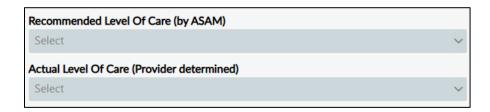

FY 25-26 Billing Reminders

As provider agencies begin billing for FY 25-26 services, it is important that special attention is given to changes made for the new fiscal year to avoid unnecessary local denials. The following reminders are based on SAPC Finance's review of the first six weeks of billing for FY 25-26 services. Please be sure to review the information below and adjust procedures and internal documentation as necessary. The FY 25-26 Rates Matrix and Code Changes document posted to the SAPC website outlines the code changes for the new fiscal year.

- H2010S is no longer a billable service.
- $0 services are no longer billable for residential and WM levels of care, with the exception of H2010M and H2010N, which are still required for incentive tracking purposes.
- Authorizations spanning two fiscal years receive two separate authorizations – one for each fiscal year. Secondary provider agencies should ensure their EHRs are updated with the appropriate authorization numbers for FY 25-26 services.

Sage ASAM Assessment Form Update

The field names for ASAM Assessment and Finalize ASAM Assessment forms have been updated for clarity. The Recommended Level of Care and Actual Level of Care field labels now read as:

- Recommended Level of Care (by ASAM) refers to the recommendation provided on the section of the ASAM.
- Actual Level of Care (Provider determined) refers to the level of care to which the patient is referred or admitted.

Highlights from Previous Communications

Medi-Cal Provider Portal Update: Medi-Cal and the provider portal administrators have identified an issue that is preventing certain providers from being authenticated when attempting to enroll. They are working to resolve the issue as soon as possible. As such, they have delayed the final deadline until the resolution is implemented, and all DMC providers are able to enroll in the provider portal. At this time, there is no estimated time for resolution and providers should continue to have access to the existing Transactions Services page for verifying Medi-Cal eligibility.

Progress Note Form Update: The Progress Note form has been updated to: 1) align with the FY 25-26 Rates Matrix (please see FY 25-26 Rates Matrix and Code Changes) and to account for Procedure Code and Service Type changes, and 2) allow providers to select if $0 billings related to incentives were provided during the course of service delivery. Please see the 7/3/2025 Sage Provider Communication for more information regarding the Progress Note updates. In addition, the Progress Note Status Report has been updated to reflect "Applicable Services Provided," noting whether MAT Education (H2010M) and/or Naloxone Handling/Distribution (H2010N) services were provided during a patient encounter. To account for recent changes to the Progress Note Form, an updated version of the Progress Note Status Report is now in LIVE. The Updated Progress Note is in Sage and the updated Progress Note Guide is available on the Sage Trainings/Sage-PCNX page.

PCNX Fast Service Entry Submission Form Update: The PCNX Fast Service Entry Submission form has been updated with the removal of the "Pre FY 23/24 Service Details" section and the "Number of Client in Group (Pre FY 23/24)", "Client Documentation Time (Pre FY 23/24)", "Number of Counselors in Group (Pre FY 23/24)", "Travel Time (Pre FY 23/24)", "Group Service Units (Pre FY 23/24)", and "Group Service Units Per Day (Pre FY 23/24)" fields. The section noted above was necessary for entry of FY 22-23 and prior group services, which is no longer billable to SAPC.

User Role Description Update: SAPC has updated the User Role Descriptions to aid providers in selecting the appropriate user role for staff during the onboarding process. The Sage Provider User Role Description document is posted to the Sage User Enrollment page of the SAPC Sage website.

Close All Open Forms Resolved: The "Close All Open Forms" icon found in the Control Panel in PCNX is now functioning as expected. Netsmart released an update on 7/30/2025 that resolved this issue. Users may resume using this function to close multiple open forms and/or reports at one time.

Denial Crosswalk v5.0: The Guide to Claims Denial Resolution and the Claims Denial Reason and Resolution Crosswalk have both been updated to version 5.0. Updates to both documents include definitions on new denial codes, and correction procedures. These documents may be found on the SAPC Sage Training Finance section under Denial Troubleshooting.

FY 25-26 Treatment Billing Office Hours: SAPC Finance is hosting FY 25-26 Treatment Billing Office Hours on 8/21, 9/18, and 10/16 to provide a high-level overview of network-level treatment billing highlights, denials and resolutions, and to address questions from provider agencies on billing codes and procedures for FY 25-26 services. The Office Hours are intended to support billing and finance/operational staff at provider agencies; however, any provider agency staff are welcome to join. The Office Hours will be held on Thursday 8/21, 9/18, and 10/16 from 1:00-2:00 pm via Microsoft Teams. Registration is not required. The flyer for the Office Hours can be viewed here, which includes the Meeting Link to attend the sessions and is also available on the SAPC Training Calendar. Please be sure to add it to your calendar!