

**Attachment X: Fiscal Year 2025-26 Value-Based Incentives
(Formerly Capacity Building & Incentives)**

Category: Finance and Business Operations	
Building Performance and Risk Metrics (New)	<p>This incentive enhances the ability of provider agencies to use various analytical strategies to strengthen data-informed decision-making, risk management, and financial sustainability within evolving value-based reimbursement models.</p> <p>Changes from FY 2024-25: Not applicable; new activity in FY 2025-26</p>
Managing Financial Risk in Value-Based Reimbursement (New)	<p>This incentive enhances providers' ability to navigate financial risk under value-based reimbursement and alternative payment models through risk-readiness assessments, stress testing, and financial strategy development.</p> <p>Changes from FY 2024-25: Not applicable; new activity in FY 2025-26</p>
Timely Submission of CalOMS Admission and Discharge Records (Updated)	<p>This incentive strengthens the operational performance of provider agencies by ensuring that at least 65% of CalOMS admission and discharge records are submitted on time and are 100% complete.</p> <p>Changes from FY 2024-25: The metric goal was updated to 65% from 45%.</p>
Timely Claims Submissions (New)	<p>This incentive supports fiscal accountability and revenue cycle management by ensuring 100% of prior-month service claims are submitted by the 10th of each month, as monitored through HODA-managed supplemental claims reporting.</p> <p>Changes from FY 2024-25: Not applicable; new activity in FY 2025-26</p>

Category: Workforce Development

Employee Benefits Package (New)

This incentive is designed to reimburse provider agencies for offering a baseline benefits package. Its objective is to stabilize the SUD workforce, improve recruitment and retention, and support long-term system sustainability.

Changes from FY 2024-25: Not applicable; new activity in FY 2025-26

SUD Counselor Minimum Wage (Continuation)

The agency must demonstrate that it offers a minimum wage of \$23 per hour for all Registered SUD Counselors employed by agency across all programs and funding streams. This includes support for agencies that implemented it in FY 2024-25.

Changes from FY 2024-25: Continuation

Bilingual Bonus (Continuation)

The incentive is designed to support provider agency efforts to recruit and retain bilingual direct service staff in efforts to increase language matching, which has been demonstrated to improve patient engagement and service retention.

Changes from FY 2024-25: Continuation

LPHA Retention Bonus (Continuation)

This incentive enhances workforce stability and LPHA retention by offering up to \$5,000 per eligible LPHA who received a Sign-On/Loyalty Bonus Payment in Year 1.

Changes from FY 2024-25: Continuation

MAT Prescribing Clinician Start-Up Cost Sharing (Continuation)

This incentive provides a cost-sharing opportunity alongside the 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.

Changes from FY 2024-25: Continuation

Access to Care

MAT Education/Services for Opioid Use Disorder (OUD) in Non-OTP settings (Updated)

This incentive advances clinical quality and access to evidence-based care by ensuring that at least 60% of patients with OUD in non-OTP settings receive MAT education and/or medication services that include MAT.

Changes from FY 2024-25: The metric goal was updated to 60% from 25%.

MAT Education/Services for Alcohol Use Disorder (AUD) (Updated)

This incentive advances clinical quality and access to evidence-based care by ensuring that at least 50% of patients with AUD agency-wide receive MAT education and/or medication services that include MAT.

Changes from FY 2024-25: The metric goal was updated to 50% from 15%.

MAT: Agency-wide Naloxone Distribution (Updated)

This incentive enhances patient safety and overdose prevention efforts by ensuring that at least 60% of patients' agency-wide receive naloxone through prescription or distribution, as documented in the patient record.

Changes from FY 2024-25: The metric goal was updated to 60% from 50%.

Clients Referred/Admitted to Another SUD LOC (Continuation)

This incentive strengthens continuity of care by ensuring that at least 30% of patients are referred and admitted to another level of SUD care within 30 days of discharge.

Changes from FY 2024-25: Continuation

Mental and Physical Health Referrals/Care Coordination (New)

This incentive supports integrated care by ensuring that at least 25% of patients with mental or physical health conditions are referred and connected to appropriate services.

Changes from FY 2024-25: Not applicable; new activity

R95 Champion (Updated)

Providers implement specified R95 initiatives, demonstrating a commitment to redesigning specialty SUD treatment systems by lowering barriers to care and building policies and systems around the needs of our patients.

Changes from FY 2024-25: Continuation

R95 Patient-Facing Agreements (Continuation)

This incentive fosters a patient-centered approach by ensuring participating treatment providers update patient-facing agreements to recognize SUD as a chronic medical condition that will be treated with compassion.

Changes from FY 2024-25: Continuation

Service Design Follow-up Implementation Plan (Continuation)

This incentive supports providers in using process improvement strategies to effectively implement previously developed plan to align program services with low barrier treatment that engage and retain individuals in services, including those not yet ready to maintain abstinence.

Changes from FY 2024-25: Continuation