



### **7.3.11 DRUG MEDI-CAL ORGANIZED DELIVERY SYSTEM (DMC-ODS) PROGRAM REQUIREMENTS**

Issue Date: 08/24/2015

Revision History: 12/23/2025

References: DMC-ODS Intergovernmental Agreement with DHCS, DHCS BHIN 24-001

Policy Owner: Behavioral Health Quality Assessment and Program Improvement (QAPI),  
Quality Assurance Manager

Director Signature: **Signature on File**

---

#### **I. Policy Statement**

Sonoma County Department of Health Services – Behavioral Health Division (DHS-BHD), Substance Use Disorder (SUD), and Community Recovery Services Section will comply with all relevant state and federal laws, regulations, standards, and contractual requirements relating to the Drug Medi-Cal Organized Delivery System (DMC-ODS) Program.

#### **II. Scope**

This policy applies to all DHS-BHD Covered Persons including employees (full-time, part-time, extra-help), unpaid interns, paid interns, temporary agency workers, registered volunteers, and all individual providers contractually designated as covered persons. Covered Persons do not include Community Based Organization (CBO) staff.

#### **III. Definitions**

None

#### **IV. Policy**

- A. DHS-BHD is responsible for contracting with the providers; implementing and maintaining a system of fiscal disbursements and controls; monitoring billing to ensure that reimbursements are within the rates established for services; and processing claims for reimbursement.
- B. The DMC-ODS Intergovernmental Agreement between DHS-BHD and the California Department of Health Care Services (DHCS) details the minimum requirements that must be met in order for DMC-ODS services to be reimbursed to contracted network providers.
- C. The DMC-ODS Intergovernmental Agreement defines the roles and responsibilities of the State, County and contracted providers. The DMC-ODS Intergovernmental Agreement is based on requirements from the Code of Federal Regulations, Title 42, Part 438 (42 CFR 438).
- D. DHCS has also issued further guidance through Behavioral Health Information Notices (BHINs). Contracted providers are also responsible to adhere to the guidance in BHIN 24-001 and any subsequent superseding BHINs.
- E. Beginning on January 1, 2027, DHS-BHD will enter into the Integrated Behavioral Health Contract with DHCS, which will replace both the DMC-ODS Intergovernmental Agreement and the Mental Health Plan (MHP) Contract, and will address the requirements for both DMC-ODS and Specialty Mental Health Services (SMHS). The DMC-ODS requirements will be substantially the same in the Behavioral Health Integrated Contract, as in the DMC-ODS Intergovernmental Agreement.

#### **V. Procedures**

- A. DHS-BHD, SUD, and Community Recovery Services will ensure that all contracted providers receive annual training on DMC-ODS program requirements, either through DHCS or DHS-BHD, and will monitor compliance by collecting documentation of training completion from contracted providers.
- B. The DHS-BHD Quality Assessment and Performance Improvement (QAPI), Auditing and Monitoring Team (AMT), will conduct annual monitoring for compliance with the DMC-ODS Intergovernmental Agreement and Title 42, Code of Federal Regulations (CFR), Section 438. The annual monitoring will also include the following:
  - 1. Review of administrative policies, procedures, and practices to support compliance with the DMC-ODS Intergovernmental Agreement and 42 CFR 438.

2. Any deficiencies or findings will result in an immediate corrective action plan being completed and implemented to ensure compliance with the DMC-ODS Intergovernmental Agreement and 42 CFR 438.

**VI. Forms**

None

**VII. Attachments**

None