



MICHELLE BAASS
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

07/21/2022

Sent via e-mail to: gtsai@ph.lacounty.gov

Gary Tsai, Division Director
Los Angeles County Substance Abuse Prevention and Control
1000 S. Fremont Avenue, Bld. A-9 East, 3rd Floor, Box 34
Alhambra, CA 91803

SUBJECT: Annual SABG County Compliance Unit Findings Report

Dear Director Tsai:

The Department of Health Care Services (DHCS) is responsible for monitoring compliance to requirements of the Substance Abuse Block Grant (SABG) and the terms of the Contract operated by Los Angeles County.

The County Compliance Unit (CCU) within the Audits and Investigations Division (A&I) of DHCS conducted a review of the County's compliance with contract requirements based on responses to the monitoring instrument, discussion with county staff, and supporting documentation provided by the County.

Enclosed are the results of Los Angeles County's Fiscal Year 2021-22 SABG compliance review. The report identifies deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

Los Angeles County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the Community Services Division (CSD), Community Support Branch (CSB), Policy, Monitoring and Financing Section (PMFS) Analyst by 09/21/2022. Please use enclosed CAP form and submit the completed CAP and supporting documentation by email to the PMFS analyst at SABGcompliance@dhcs.ca.gov.

If you have any questions, please contact me at emanuel.hernandez@dhcs.ca.gov.

Sincerely,

Emanuel Hernandez
(916) 713-8667

Audits and Investigations Division
Medical Review Branch
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County Compliance Unit
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Daniel Deniz, Los Angeles County Substance Abuse Prevention and Control, Finance Services
Branch Manager

COUNTY REVIEW INFORMATION

County:

Los Angeles

County Contact Name/Title:

Daniel Deniz/Substance Abuse Prevention and Control, Finance Services Branch Chief

County Address:

1000 S. Fremont Avenue, Bld. A-9 East 3rd Floor
Alhambra, CA 91803

County Phone Number/Email:

(626) 299-4532
ddeniz@ph.lacounty.gov

Date of Review:

04/19/2022

Lead CCU Analyst:

Emanuel Hernandez

Assisting CCU Analyst:

N/A

Report Prepared by:

Emanuel Hernandez

Report Approved by:

Ayesha Smith

REVIEW SCOPE

- I. Regulations:
 - a. California Code of Regulations, Title 22, section 51341.1 – Drug Medi-Cal Substance Use Disorder Services
 - b. Code of Federal Regulations; Title 45, Part 96; Subpart L; section 96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
 - c. United States Code, Title 42, Section 300x-21 through 300x-66: Block Grants regarding Mental Health and Substance Use
 - d. Health and Safety Code, Division 10.5, Section 11750 – 11970: Alcohol and Drug Programs

- II. Program Requirements:
 - a. Fiscal Year (FY) 2020-21 Substance Abuse Block Grant (SABG) Application, herein referred to as the SABG Application
 - b. Fiscal Year (FY) 2021-22 Substance Abuse Block Grant (SABG) Application, herein referred to as the SABG Application
 - c. State of California *Youth Treatment Guidelines Revised August 2002*
 - d. DHCS *Perinatal Practice Guidelines FY 2018-19*
 - e. National Culturally and Linguistically Appropriate Services (CLAS)
 - f. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices
 - g. Behavioral Health Information Notices (BHIN)

ENTRANCE AND EXIT CONFERENCE SUMMARIES

Entrance Conference:

An Entrance Conference was conducted via WebEx on 04/19/2022. The following individuals were present:

- Representing DHCS:
Emanuel Hernandez, Associate Governmental Program Analyst (AGPA)
Kathryn Sears, County Provider Operations and Monitoring (CPOM) Unit 1 Chief
- Representing Los Angeles County:
Gary Tsai, Division Director, Substance Abuse Prevention Control (SAPC)
Daniel Deniz, Substance Abuse Prevention and Control, Finance Services Branch Manager
Michelle Palmer, SAPC Compliance and Reports
Brian Hurley, SAPC Medical Director
Michelle Gibson, SAPC Treatment Services Deputy Director
Babatunde Yates, SAPC Financial Services Chief
Yanira Lima, SAPC Systems of Care Chief
Marika Medrano, SAPC Contracts and Compliance Branch Chief
Ruth Kantorowicz, SAPC Contracts and Compliance Section Staff Analyst
Stephanie Chen, SAPC Community and Youth Engagement Unit
Tina Kim, SAPC Health Outcomes and Analytics Section Director
Andrea Hurtado, SAPC Compliance and Policies
Antonne Moore, SAPC Strategic and Network Development Branch

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of review process
- Overview of services provided

Exit Conference:

An Exit Conference was conducted via WebEx on 04/19/2022. The following individuals were present:

- Representing DHCS:
Emanuel Hernandez, AGPA
Kathryn Sears, CPOM, Chief
- Representing Los Angeles County:
Gary Tsai, SAPC Division Director
Michelle Palmer, SAPC Compliance and Reports
Brian Hurley, SAPC Medical Director
Michelle Gibson, SAPC Treatment Services Deputy Director
Babatunde Yates, SAPC Financial Services Chief
Yanira Lima, SAPC Systems of Care Chief
Marika Medrano, SAPC Contracts and Compliance Branch Chief
Ruth Kantorowicz, SAPC Contracts and Compliance Section Staff Analyst
Stephanie Chen, SAPC Community and Youth Engagement Unit
Tina Kim, SAPC Health Outcomes and Analytics Section Director
Andrea Hurtado, SAPC Compliance and Policies
Antonne Moore, SAPC Strategic and Network Development Branch

During the Exit Conference, the following topics were discussed:

- Submitting follow-up evidence
- Due date for evidence submission

SUMMARY OF FY 2021-22 COMPLIANCE DEFICIENCIES (CD)

| <u>Section</u> | <u>Number of CD's</u> |
|--------------------------------|-----------------------|
| 1.0 Administration | 2 |
| 2.0 Prevention | 1 |
| 3.0 Perinatal | 1 |
| 4.0 Adolescent/Youth Treatment | 4 |
| 5.0 Data/CalOMS | 3 |
| 6.0 Program Integrity | 2 |
| 7.0 Fiscal | 1 |

CORRECTIVE ACTION PLAN (CAP)

Pursuant to the SABG County Application, Enclosure 2, Part I, Section 3, B, 5-7 each CD identified must be addressed via a CAP. The CAP is due within sixty (60) calendar days of the date of this monitoring report.

Please provide the following within the completed FY 2021-22 CAP:

- a) A statement of the CD.
- b) A list of action steps to be taken to correct the CD.
- c) A date of completion for each CD.
- d) The name of the person who will be responsible for corrections and ongoing compliance.

The PMFS analyst will monitor progress of the CAP completion.

Category 1: ADMINISTRATION

A review of the County's Maintenance of Records, service providers, referrals, services, contracts, and general provisions was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 1.2.2:

SABG Application, Enclosure 2, I, 3, C

C. Sub-recipient Pre-Award Risk Assessment

County shall comply with the sub-recipient pre-award risk assessment requirements contained in 45 CFR 75.205 (HHS awarding agency review of risk posed by applicants). County shall review the merit and risk associated with all potential subcontractors annually prior to making an award.

County shall perform and document annual sub-recipient pre-award risk assessments for each subcontractor and retain documentation for audit purposes.

Findings: The County did not provide evidence demonstrating the completion of sub-recipient pre-award risk assessments with all potential subcontractors annually prior to making an award.

CD 1.3.1:

SABG Application, Enclosure 2, III, 6

6. Charitable Choice

County shall document the total number of referrals necessitated by religious objection to other alternative SUD providers. The County shall annually submit this information to DHCS by e-mail at CharitableChoice@dhcs.ca.gov by October 1st. The annual submission shall contain all substantive information required by DHCS and be formatted in a manner prescribed by DHCS.

Findings: The County did not provide evidence of the email submission to DHCS indicating the total number of referrals necessitated by a beneficiary's religious objection for FY 2020-21.

Category 2: PREVENTION

A review of the SABG Strategic Prevention Plan was conducted to ensure compliance with applicable regulations and standards. The following deficiency in regulations, standards, or protocol requirements was identified:

COMPLIANCE DEFICIENCY:

CD: 2.1.1:

SABG Application, Enclosure 2, I, 2, B, 2

2. County is required to have a current and DHCS approved County Strategic Prevention Plan (SPP). The SPP must demonstrate that the County utilized the Substance Abuse and Mental Health Services Administration's Strategic Prevention Framework (SPF) in developing the plan as described online at: <https://www.samhsa.gov/sites/default/files/20190620-samhsa-strategic-prevention-framework-guide.pdf>

DHCS will only approve SPP's that demonstrate that the County utilized the SPF.

Findings: The County did not provide evidence demonstrating the implementation of a current DHCS approved Strategic Prevention Plan.

Category 3: PERINATAL

A review of the SABG Perinatal services, outreach and Tuberculosis (TB) monitoring was conducted to ensure compliance with applicable regulations and standards. The following deficiency in regulations, standards, or protocol requirements was identified:

COMPLIANCE DEFICIENCY:

CD 3.1.3:

SABG Application, Enclosure 2, I, 2, D

D. Perinatal Practice Guidelines

County shall comply with the perinatal program requirements as outlined in the Perinatal Practice Guidelines as listed online: https://www.dhcs.ca.gov/Documents/CSD_KS/CSD%20Perinatal%20Services_/Perinatal-Practice-Guidelines.pdf.

The County shall comply with the current version of these guidelines until new Perinatal Practice Guidelines are established and adopted. County must adhere to the Perinatal Practice Guidelines, regardless of whether the County exchanges perinatal funds for additional discretionary funds.

Perinatal Practice Guidelines, Section B, 9

9. REFERRALS

It is important to consistently provide pregnant and parenting women with the necessary and appropriate SUD treatment services. In the instance that a SUD treatment provider does not have the capacity or availability to provide the essential treatment services, arrangements should be made to ensure a woman receives the necessary treatment services.

When a SUD treatment provider has insufficient capacity to provide treatment services to a pregnant and/or parenting woman, the provider must provide a referral.

Providers shall establish, maintain, and update individual patient records for pregnant and parenting women, which shall include referrals.

If no treatment facility has the capacity to provide treatment services, the provider will make available or arrange for interim services within 48 hours of the request, including a referral for prenatal care.

Findings: The County did not provide evidence demonstrating how County and subcontracted providers ensure perinatal clients receive a referral to an available provider if the capacity becomes a barrier at the first placement choice.

The County did not provide evidence demonstrating how County and subcontracted providers ensure perinatal clients receive a referral for Interim Services within 48 hours when capacity becomes a barrier at provider treatment facilities. The required Interim Services are as follows:

- Admit the woman no later than 14 days of the request; or
- Admit the woman no later than 120 days of the request and provide interim services no later than 48 hours after the request;

- Counseling and education about the risks and prevention of transmission of HIV and TB;
- Counseling and education about the risks of needle-sharing;
- Counseling and education about the risks of transmission to sexual partners and infants;
- Counseling on the effects of alcohol and drug use on the fetus; and
- Referral for prenatal care.

Category 4: ADOLESCENT/YOUTH TREATMENT

A review of the SABG Adolescent/Youth Treatment program and services was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 4.1.2:

SABG Application, Enclosure 2, II. General, 16

16. Youth Treatment Guidelines

County must comply with DHCS guidelines in developing and implementing youth treatment programs funded under this Enclosure, until new Youth Treatment Guidelines are established and adopted. Youth Treatment Guidelines are posted online at: <https://www.dhcs.ca.gov/provgovpart/Pages/Youth-Services.aspx>.

Youth Treatment Guidelines Section V, H, 1

H. Youth Development Approaches to Treatment

1. Programs should integrate a youth development philosophy as the foundation of treatment for youth. Youth development approaches include the following:
 - a. assessment and treatment planning processes that are strength-based rather than deficit-based;
 - b. uncovering what is unique about the youth and building on his/her individual abilities and strengths;
 - c. frequent expressions of support and consistent, clear and appropriate messages about what is expected of the youth; and,
 - d. encouragement and assistance in developing multiple supportive relationships with responsible, caring adults.

Findings: The County did not provide evidence demonstrating how County and subcontracted providers integrate a youth development philosophy as the foundation of treatment for youth, including:

- assessment and treatment planning processes that are strength-based rather than deficit-based;
- uncovering what is unique about the youth and building on his/her individual abilities and strengths;
- frequent expressions of support and consistent, clear and appropriate messages about what is expected of the youth; and
- encouragement and assistance in developing multiple supportive relationships with responsible, caring adults.

CD 4.1.3:

SABG Application, Enclosure 2, II. General, 16

16. Youth Treatment Guidelines

County must comply with DHCS guidelines in developing and implementing youth treatment programs funded under this Enclosure, until new Youth Treatment Guidelines are established and adopted. Youth Treatment Guidelines are posted online at: <https://www.dhcs.ca.gov/provgovpart/Pages/Youth-Services.aspx>.

Youth Treatment Guidelines Section V, H, 2

H. Youth Development Approaches to Treatment

2. Programs should provide or arrange for opportunities for youth to:

- a. advise and made decisions related to program policies and procedures that impact them;
- b. plan, organize, and lead program activities and projects;
- c. develop social skills and decision-making abilities;
- d. learn values and marketable skills for adulthood; and,
- e. contribute to their community and serve others.

Findings: The County did not provide evidence demonstrating how County and subcontracted providers arrange opportunities for youth, specifically:

- advise and made decisions related to program policies and procedures that impact them;
- plan, organize, and lead program activities and projects;
- develop social skills and decision-making abilities;
- learn values and marketable skills for adulthood; and
- contribute to their community and serve others.

CD 4.2.1:

SABG Application, Enclosure 2, II. General, 16

16. Youth Treatment Guidelines

County must comply with DHCS guidelines in developing and implementing youth treatment programs funded under this Enclosure, until new Youth Treatment Guidelines are established and adopted. Youth Treatment Guidelines are posted online at: <https://www.dhcs.ca.gov/provgovpart/Pages/Youth-Services.aspx>.

Youth Treatment Guidelines Section VIII, D, 1-2

D. Detoxification Services

Youth in need of detoxification services should be placed in the most appropriate site for the provision of services.

1. When indicated, appropriately trained personnel under the direction of a physician or other health care professional should monitor medical detoxification with specific expertise in management of alcohol and drug detoxification and withdrawal.
2. Written protocols should be developed and staff trained to ensure that all programs have the capacity to adequately manage and/or make referral arrangements for youth that appear at the program site under the influence.

Findings: The County did not provide evidence demonstrating how County and subcontracted providers arrange detoxification services for youth in need.

CD 4.2.2:

SABG Application, Enclosure 2, II. General, 16

16. Youth Treatment Guidelines

County must comply with DHCS guidelines in developing and implementing youth treatment programs funded under this Enclosure, until new Youth Treatment Guidelines are established and adopted. Youth Treatment Guidelines are posted online at: <https://www.dhcs.ca.gov/provgovpart/Pages/Youth-Services.aspx>.

Youth Treatment Guidelines Section V, K

K. Structured Recovery-Related Activities

Intensive outpatient and residential programs should provide or arrange for both therapeutic and diversionary recreation. Therapeutic activities include art therapy, journal writing, and self-help groups. Diversionary recreation activities include sports, games, and supervised outings.

Findings: The County did not provide evidence demonstrating how County and subcontracted providers of intensive outpatient and residential programs arrange for both therapeutic and diversionary recreation for youth in treatment.

Category 5: DATA/CALOMS

A review of data submissions via CalOMS was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD: 5.1.1:

SABG Application, Enclosure 2, III, 2, C-F

2. California Outcomes Measurement System for Treatment (CalOMS-Tx)

The CalOMS-Tx business rules and requirements are:

- C. Electronic submission of CalOMS-Tx data shall be submitted by County within 45 days from the end of the last day of the report month.
- D. County shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (<https://www.dhcs.ca.gov/provgovpart/Pages/CalOMS-Treatment.aspx>) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS Tx data collection.
- E. County shall submit CalOMS-Tx admission, discharge, annual update, resubmissions of records containing errors or in need of correction, and “provider no activity” report records in an electronic format approved by DHCS.
- F. County shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method, as identified online at:
<https://www.dhcs.ca.gov/provgovpart/Pages/CalOMS-Treatment.aspx>

Findings: The County’s Open Admissions report is not in compliance.

CD: 5.1.2:

SABG Application, Enclosure 2, III, 2, C-F

2. California Outcomes Measurement System for Treatment (CalOMS-Tx)

The CalOMS-Tx business rules and requirements are:

- C. Electronic submission of CalOMS-Tx data shall be submitted by County within 45 days from the end of the last day of the report month.
- D. County shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (<https://www.dhcs.ca.gov/provgovpart/Pages/CalOMS-Treatment.aspx>) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS Tx data collection.
- E. County shall submit CalOMS-Tx admission, discharge, annual update, resubmissions of records containing errors or in need of correction, and “provider no activity” report records in an electronic format approved by DHCS.
- F. County shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method, as identified online at:
<https://www.dhcs.ca.gov/provgovpart/Pages/CalOMS-Treatment.aspx>

Findings: The County’s Open Provider report is not in compliance.

CD: 5.1.3:

SABG Application, Enclosure 2, III, 5, A-D

5. Drug and Alcohol Treatment Access Report (DATAR)

The DATAR business rules and requirements are:

- A. The County shall be responsible for ensuring that the County-operated treatment services and all treatment providers, with whom County makes a contract or otherwise pays for the services, submit a monthly DATAR report in an electronic copy format as provided by DHCS.
- B. The County shall ensure that treatment providers who reach or exceed 90 percent of their dedicated capacity, report this information to DHCSPerinatal@dhcs.ca.gov within seven days of reaching capacity.
- C. The County shall ensure that all DATAR reports are submitted by either County-operated treatment services and by each subcontracted treatment provider to DHCS by the 10th of the month following the report activity month.
- D. The County shall ensure that all applicable providers are enrolled in DHCS’web-based DATARWeb program for submission of data, accessible on theDHCS website when executing the subcontract.

Findings: The County’s DATAR report is not in compliance.

Category 6: PROGRAM INTEGRITY

A review of the SABG monitoring, privacy, and program integrity was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 6.1.2:

SABG Application Enclosure 2, I, 3, A, 1, e

1. County's performance under the County Performance Contract and the SABG County Application shall be monitored by DHCS during the term of the County Performance Contract. Monitoring criteria shall include, but not be limited to:
 - e. Whether the County conducted annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. County shall submit copy of its monitoring and audit reports to DHCS within two weeks of issuance. Reports shall be sent via a Secure Managed File Transfer system specified by DHCS.

Findings: The County did not provide evidence demonstrating it conducted onsite monitoring reviews of each County managed and subcontracted program providing SABG funded services.

- The County monitored five (5) of 135 SABG funded programs and submitted audit reports of these annual reviews to DHCS.
- The County submitted five (5) of five (5) annual monitoring reports secure and encrypted to DHCS.
- The County submitted five (5) of five (5) annual monitoring reports within two weeks of completion to DHCS.

CD 6.2.1:

SABG Application Enclosure 2, II, 19, L

L. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

County shall include all of the foregoing provisions in all of its subcontracts.

Findings: The County did not provide evidence demonstrating compliance with Confidentiality of Substance Use Disorder Patient Records under 42 CFR Part 2, Subparts A-E.

Category 7: FISCAL

A review of the SABG fiscal services was conducted to ensure compliance with applicable regulations and standards. The following deficiency in regulations, standards, or protocol requirements was identified:

COMPLIANCE DEFICIENCY:

CD 7.1.1:

SABG Application, Enclosure 2, I, 2, A

A. Restrictions on Salaries

County agrees that no part of any federal funds provided under this Contract shall be used by the County or its subcontractors to pay the salary and wages of an individual at a rate in excess of Level II of the Executive Schedule, as found online at: http://grants.nih.gov/grants/policy/salcap_summary.htm

Findings: The County did not provide evidence demonstrating verification that SABG funds are not used to pay an individual's salary in excess of Level II of the Executive Schedule.

TECHNICAL ASSISTANCE

Los Angeles County did not request technical assistance.