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



GAVIN NEWSOM  
GOVERNOR

February 13, 2020

Sent via e-mail to: [hsnow@co.del-norte.ca.us](mailto:hsnow@co.del-norte.ca.us)

Heather Snow, Director  
County of Del Norte Health and Human Services  
455 K Street  
Crescent City, CA 95531

SUBJECT: Annual County Compliance Unit Report

Dear Director Snow:

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 Del Norte 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 Del Norte County's State Fiscal Year 2019-20 SABG compliance review. The report identifies deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

Del Norte 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 3/13/2020. Please use enclosed CAP plan form when completing the CAP. CAP and supporting documentation to be e-mailed to the PMFS analyst at [SABGcompliance@dhcs.ca.gov](mailto:SABGcompliance@dhcs.ca.gov).

If you have any questions regarding this report, please contact me.

Sincerely,

Michael Bivians  
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[michael.bivians@dhcs.ca.gov](mailto:michael.bivians@dhcs.ca.gov)

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Ranell Brown, County of Del Norte Assistant Director Health and Human Services  
Shiann Hogan, County of Del Norte Program Manager Behavioral Health Branch

<b>Lead CCU Analyst:</b> Michael Bivians	<b>Date of Review:</b> 1/28/2020 - 1/29/2020
<b>County:</b> Del Norte	<b>County Address:</b> 455 K Street Crescent City, CA 95531
<b>County Contact Name/Title:</b> Shiann Hogan, Program Manager Behavioral Health Branch	<b>County Phone Number/Email:</b> 707-464-7224 shogan@co.del-norte.ca.us
<b>Report Prepared by:</b> Michael Bivians	<b>Report Approved by:</b> Mayumi Hata

## 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. State Fiscal Year (SFY) 2019-20 State County Contract, herein referred to as State County Contract
  - b. State of California *Youth Treatment Guidelines Revised August 2002*
  - c. DHCS *Perinatal Practice Guidelines FY 2018-19*
  - d. National Culturally and Linguistically Appropriate Services (CLAS)
  - e. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices

## ENTRANCE AND EXIT CONFERENCE SUMMARIES

### Entrance Conference:

An entrance conference was conducted at 455 K Street Crescent City, CA 95531 on 1/28/2020. The following individuals were present:

- Representing DHCS:  
Michael Bivians, Associate Governmental Program Analyst (AGPA)
- Representing Del Norte County:  
Heather Snow, Director Health and Human Services  
Ranell Brown, Assistant Director Health and Human Services  
Shiann Hogan, Program Manager Behavioral Health Branch  
Samantha Reagen, Administrative Analyst Health and Human Services  
Marcus Padilla, Staff Services Analyst Behavioral Health Branch  
Michelle Stephens, Senior Account Clerk Behavioral Health Branch  
Nancy McClaflin, Fiscal Manager Behavioral Health Branch  
Naome Workman, Substance Abuse Specialist Behavioral Health Branch

During the Entrance Conference the following topics were discussed:

- Introductions
- DHCS Re-Organization
- Medi-Cal Healthier California for All (formerly known as CalAIM) Proposal
- Overview of the Monitoring Process
- County of Del Norte Overview of Services

### Exit Conference:

An exit conference was conducted at 455 K Street Crescent City, CA 95531 on 1/29/2020. The following individuals were present:

- Representing DHCS:  
Michael Bivians, AGPA
- Representing Del Norte County:  
Ranell Brown, Assistant Director Health and Human Services  
Shiann Hogan, Program Manager Behavioral Health Branch  
Samantha Reagen, Administrative Analyst Health and Human Services  
Michelle Stephens, Senior Account Clerk Behavioral Health Branch  
Nancy McClaflin, Fiscal Manager Behavioral Health Branch

During the Exit Conference the following topics were discussed:

- Review of Compliance Deficiencies
- Follow-Up Deadlines

**SUMMARY OF SFY 2019-20 COMPLIANCE DEFICIENCIES (CD)**

<b>Section:</b>	<b>Number of CD's:</b>
<b>1.0 Administration</b>	<b>1</b>
<b>2.0 SABG Monitoring</b>	<b>1</b>
<b>3.0 Perinatal</b>	<b>1</b>
<b>4.0 Adolescent/Youth Treatment</b>	<b>0</b>
<b>5.0 Primary Prevention</b>	<b>1</b>
<b>6.0 Cultural Competence</b>	<b>0</b>
<b>7.0 CalOMS and DATAR</b>	<b>0</b>
<b>8.0 Privacy and Information Security</b>	<b>1</b>
<b>9.0 Fiscal</b>	<b>0</b>
<b>10.0 Previous CAP</b>	<b>1</b>

**CORRECTIVE ACTION PLAN**

Pursuant to the State County Contract, Exhibit A, Attachment I A2, Part I, Section 3, B, 5-8 each compliance deficiency (CD) identified must be addressed via a Corrective Action Plan (CAP). The CAP is due within thirty (30) calendar days of the date of this monitoring report.

Please provide the following within the completed SFY 2019-20 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.

## 1.0 ADMINISTRATION

A review of the County's Organizational Chart, subcontracted contracts, and policies and procedures was conducted to ensure compliance with applicable regulations and standards. The following deficiency in regulations, standards, or protocol requirements was identified:

### COMPLIANCE DEFICIENCY:

#### **CD 1.2:**

##### SABG State-County Contract, Exhibit A, Attachment I A2, Part III, G

##### G. Master Provider File (MPF) Documentation Requirements

The Department shall generate a County MPF Report for the Contractor on the last day of each month and shall send the report to the Contractor. The Contractor shall review the County MPF Report and confirm whether the information, including the contract status and identification information for each provider listed in the County MPF Report, is accurate and up to date.

If any information contained in the County MPF Report is inaccurate or has changed, Contractor shall send a written notification to the MPF mailbox at: [DHCSMPF@dhcs.ca.gov](mailto:DHCSMPF@dhcs.ca.gov) within five business days of the Department's issuance of the County MPF report. If a Non-DMC provider's information is not accurate or has changed, the Contractor shall submit the "Existing Provider Information Update/Change Form" to the MPF mailbox at: [DHCSMPF@dhcs.ca.gov](mailto:DHCSMPF@dhcs.ca.gov) within five business days of the Department's issuance of the County MPF report. If the contract status has changed for either a DMC or Non-DMC provider, the Contractor shall submit the "Existing Provider Information Update/Change Form" to the MPF mailbox at: [DHCSMPF@dhcs.ca.gov](mailto:DHCSMPF@dhcs.ca.gov) within five business days of the Department's issuance of the County MPF report. Specific types of changes and/or inaccuracies include, but are not limited to, a change in an existing provider's contract status with the County, a change in scope of services, remodeling of the provider's facility, relocation or facility expansion, or closing of a facility site.

When establishing a new subcontractor relationship, the Contractor shall submit the "New Provider Information Form (Non-DMC) Form" to request a new record be created in the MPF database to identify the new subcontractor. A new CalOMS Data Reporting Number (DRN) will be assigned to the facility. The Contractor's obligation to review the accuracy of the records of their sub-contracted provider(s) extends to all county and out-of-county SUD providers, regardless of the funding source or DHCS licensing and/or certification status.

All SUD Provider Information forms can be requested from the MPF Team through the electronic mail address: [DHCSMPF@dhcs.ca.gov](mailto:DHCSMPF@dhcs.ca.gov)

**Finding:** The County did not provide evidence the County's MPF is accurate.



## 2.0 SABG MONITORING

The following deficiency in the SABG monitoring requirements was identified:

### COMPLIANCE DEFICIENCY:

#### **CD 2.11:**

SABG State-County Contract Exhibit A, Attachment I A2, Part I, Section 1, B, 3, c-d

3. As a subrecipient, the Contractor shall:
  - c. Evaluate and monitor its activities and the activities of all subcontractors for compliance with applicable statutes, regulations, and terms and conditions of the subaward.
  - d. Address any instances of noncompliance promptly, including noncompliance identified in audit findings.

SABG State-County Contract Exhibit A, Attachment I A2, Part I, Section 1, C, 5

5. Contractor and all its subcontractors shall comply with the Minimum Quality Drug Treatment Standards for SABG for all Substance Use Disorder (SUD) treatment programs either partially or fully funded by SABG. The Minimum Quality Drug Treatment Standards for SABG are attached to this Contract as Document 2F(b), incorporated by reference. The incorporation of any new Minimum Quality Drug Treatment Standards into this Contract shall not require a formal amendment.

**Finding:** The County did not have all SABG program requirements within their monitoring tool. The following criteria is missing:

- Minimum Quality Drug Treatment Standards 2F(b)

### 3.0 PERINATAL

The following deficiency in Perinatal Services regulations, standards, or protocol requirements was identified:

#### COMPLIANCE DEFICIENCY:

#### **CD 3.22:**

SABG State-County Contract, Exhibit A, Attachment I A2, Part I, Section 1, C, 1, g

1. Performance under the terms of this Exhibit A, Attachment I, Part I, is subject to all applicable federal and state laws, regulations, and standards. In accepting DHCS drug and alcohol SABG allocation pursuant to HSC Sections 11814(a) and (b), Contractor shall: (i) establish, and shall require its subcontractors to establish, written policies and procedures consistent with the control requirements set forth below; (ii) monitor for compliance with the written procedures; and (iii) be accountable for audit exceptions taken by DHCS against the Contractor and its subcontractors for any failure to comply with these requirements:
  - g. Title 45, Code of Federal Regulations (CFR), Sections 96.30 through 96.33 and Sections 96.120 through 96.137.

#### 45 C.F.R. § 96.126 (a)

- (a) In order to obtain Block Grant funds, the State must require programs that receive funding under the grant and that treat individuals for intravenous substance abuse to provide to the State, upon reaching 90 percent of its capacity to admit individuals to the program, a notification of that fact within seven days. In carrying out this section, the State shall establish a capacity management program which reasonably implements this section - that is, which enables any such program to readily report to the State when it reaches 90 percent of its capacity - and which ensures the maintenance of a continually updated record of all such reports and which makes excess capacity information available to such programs.

#### Perinatal Practice Guidelines FY 18-19

- i. When a SUD treatment provider serving intravenous substance users reaches or exceeds 90 percent of its treatment capacity, the provider must report this information to the Drug and Alcohol Treatment Access Report (DATAR) on a monthly basis. The DATAR system is DHCS's capacity management program used to collect data on SUD treatment capacity and waiting lists.
- ii. A provider and/or county must also notify DHCS upon reaching or exceeding 90 percent of its treatment capacity within seven days.
  - a. Providers and/or counties must notify DHCS by emailing the PYSU email inbox at [DHCSOWPS@dhcs.ca.gov](mailto:DHCSOWPS@dhcs.ca.gov).
  - b. The subject line in the email must read "Capacity Management."

**Finding:** The County did not provide evidence of compliance with regulations regarding notification to DHCS when 90% capacity has been reached.

## 5.0 PRIMARY PREVENTION

The following deficiency in Primary Prevention regulations, standards, or protocol requirements was identified:

### COMPLIANCE DEFICIENCY:

#### **CD 5.29:**

##### SABG State-County Contract Exhibit A, Attachment I A2, Part III, C, 1

1. Contractors and/or subcontractors receiving SABG Primary Prevention Set-Aside funding shall input planning, service/activity and evaluation data into the service. When submitting data, Contractor shall comply with the PPSDS Data Quality Standards

##### Primary Prevention Substance Use Disorder Data Service (PPSDS) Data Quality Standards

The PPSDS data quality standards require that;

1. Quality data is timely;
2. Quality data is logical;
3. Quality data is accurate;
4. Quality data is complete; and,
5. Quality data is valid.

**Finding:** The County's quality data is not logical, complete or valid.

## 8.0 PRIVACY AND INFORMATION SECURITY

The following deficiency in Privacy and Information Security regulations, standards, or protocol requirements was identified:

### COMPLIANCE DEFICIENCY:

#### **CD 8.36:**

##### SABG State-County Contract Exhibit A, Attachment I A2, Part II, H

##### H. Health Insurance Portability and Accountability Act (HIPAA) of 1996

All work performed under this Contract is subject to HIPAA, Contractor shall perform the work in compliance with all applicable provisions of HIPAA. As identified in Exhibit F, DHCS and County shall cooperate to assure mutual agreement as to those transactions between them, to which this provision applies. Refer to Exhibit F for additional information.

##### State-County Contract Exhibit F A1, Exhibit F-1, 3, D, 4

##### 4. Security Officer.

Contractor shall designate a Security Officer to oversee its data security program who shall be responsible for carrying out the requirements of this section and for communicating on security matters with the Department.

##### State-County Contract Exhibit F A1, Exhibit F-2, 3, B, 10

##### 10. Designation of Individual Responsible for Security.

Contractor shall designate an individual, (e.g., Security Officer), to oversee its data security program who shall be responsible for carrying out the requirements of this Exhibit F-2 and for communicating on security matters with the Department.

##### State-County Contract Exhibit F A1, Attachment I, I, A

##### I. Personnel Controls.

- A. Employee Training. All workforce members who assist in the performance of functions or activities on behalf of DHCS, or access or disclose DHCS PHI or PI must complete information privacy and security training, at least annually, at Business Associate's expense. Each workforce member who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following contract termination.

**Finding:** The County did not provide evidence of compliance with the regulations for information privacy and security training.

## 10.0 PREVIOUS CAP(s)

During the SFY 2019-20 review, the following CAP with a CD was discussed and is still outstanding.

### CD 10.39:

SABG State-County Contract, Exhibit A, Attachment I A2, Part I, Section 3, B, 8

8. If the Contractor does not submit a CAP, or, does not implement the approved CAP provisions within the designated timeline, then DHCS may withhold funds until the Contractor is in compliance. DHCS shall inform the Contractor when funds will be withheld.

SABG State-County Contract, Exhibit A, Attachment I A2, Part I, Section 1, B, 3, b

3. As a subrecipient, the Contractor shall:
  - b. Comply with federal statutes, regulations, including 45 CFR Part 75, and terms and conditions of the SABG grant.

45 CFR 75.514(e)

Audit follow-up.

- (e) The auditor must follow-up on prior audit findings, perform procedures to assess the reasonableness of the summary schedule of prior audit findings prepared by the auditee in accordance with § 75.511(b), and report, as a current year audit finding, when the auditor concludes that the summary schedule of prior audit findings materially misrepresents the status of any prior audit finding. The auditor must perform audit follow-up procedures regardless of whether a prior audit finding relates to a major program in the current year.

**Finding:** The County did not demonstrate compliance with requirements to implement the approved CAP deficiency provision in a timely manner. SFY 2018-19, CD 8.37.

**TECHNICAL ASSISTANCE**

DHCS's County Compliance Unit Analyst will make referrals to the DHCS County Liaison for the training and technical assistance areas identified below.

Adolescent Youth Treatment: The County has requested assistance with Consent Requirements, Financial Screenings and Treatment Methods.

Other Topic: The County has requested assistance with Primary Prevention Substance Use Disorder Data Service (PPSDS) standards.