



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



GAVIN NEWSOM  
GOVERNOR

August 18, 2020

Sent via e-mail to: [todd.metcalf@lakecountyca.gov](mailto:todd.metcalf@lakecountyca.gov)

Todd Metcalf, Administrator  
Lake County Behavioral Health  
6302 Thirteenth Ave.  
Lucerne, CA 95458

SUBJECT: Annual County Compliance Unit Report

Dear Administrator Metcalf:

The Department of Health Care Services (DHCS) is responsible for monitoring compliance to requirements of the State Plan Drug Medi-Cal (DMC) Contract operated by Lake 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 Lake County's State Fiscal Year 2019-20 State Plan DMC Contract compliance review. The report identifies deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

Lake County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the Medi-Cal Behavioral Health Division (MCBHD), Plan and Network Monitoring Branch (PNMB), County Monitoring Unit (CMU) Analyst by 9/18/2020. Please use enclosed CAP plan form when completing the CAP. CAP and supporting documentation to be e-mailed to the CMU analyst at [MCBHDMonitoring@dhcs.ca.gov](mailto:MCBHDMonitoring@dhcs.ca.gov).

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

Sincerely,

Becky Counter  
(916) 713-8567  
[becky.counter@dhcs.ca.gov](mailto:becky.counter@dhcs.ca.gov)

Audits and Investigations Division  
Medical Review Branch  
Behavioral Health Compliance Section  
County Compliance Unit  
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Sacramento, CA 95814  
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Distribution:

To: Administrator Metcalf,

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April Giambra, Lake County Program Manager  
Stephanie Wilson, Lake County Compliance Manager  
Vanessa Mayer, Lake County Staff Services Senior Analyst

<b>Lead CCU Analyst:</b> Becky Counter	<b>Date of Review:</b> July 2020
<b>Assisting CCU Analyst(s):</b> N/A	
<b>County:</b> Lake	<b>County Address:</b> 6302 Thirteenth Ave. Lucerne, CA 95458
<b>County Contact Name/Title:</b> Vanessa Mayer, Staff Services Senior Analyst	<b>County Phone Number/Email:</b> (707) 274-9101 Vanessa.mayer@lakecountyca.gov
<b>Report Prepared by:</b> Becky Counter	<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. Health and Safety Code, Division 10.5, Section 11750 – 11970: Alcohol and Drug Programs
  - c. Special Terms and Conditions (STCs) for California’s Medi-Cal 2020 section 1115(a) Medicaid Demonstration STC, Part X: Drug Medi-Cal Organized Delivery System
  - d. Code of Federal Regulations, Title 42 Chapter IV, Subchapter C, Part 438; section 438.1 through 438.930: Managed Care
  
- II. Program Requirements:
  - a. State Fiscal Year (SFY) 2019-20 State County Contract, herein referred to as State County Contract
  - b. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices
  - c. State Fiscal Year (SFY) 2019-20 Intergovernmental Agreement (IA)

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

<b>Section:</b>	<b>Number of CD's:</b>
<b>1.0 Administration</b>	<b>0</b>
<b>2.0 Beneficiary Services</b>	<b>0</b>
<b>3.0 Service Provisions</b>	<b>0</b>
<b>4.0 Access</b>	<b>0</b>
<b>5.0 Monitoring</b>	<b>2</b>
<b>6.0 Program Integrity</b>	<b>0</b>
<b>7.0 Compliance</b>	<b>0</b>

**CORRECTIVE ACTION PLAN**

Pursuant to the State County Contract, Exhibit A, Attachment I A1, Part I, Section 3, 7, (a-d) 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. Advisory recommendations are not required to be addressed in the CAP.

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) Who will be responsible for correction and ongoing compliance.

The CMU analyst will monitor progress of the CAP completion.

## 5.0 MONITORING

The following DMC deficiencies in regulations, standards, or protocol requirements were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 5.8:**

Exhibit A, Attachment I, Part I, Section 4, A, 2, f

f) Contractor shall implement and maintain compliance with the system of review described in Title 22, Section 51341.1(k), for the purpose review utilization, quality, and appropriateness of covered services and ensuring that all applicable Medi-Cal requirements are met.

22 CCR § 51341.1 (h) (1) (v) (a) (b)

- a) The physician shall evaluate each beneficiary to diagnose whether the beneficiary has a substance use disorder, within thirty (30) calendar days of the beneficiary's admission to treatment date. The diagnosis shall be based on the applicable diagnostic code from the Diagnostic and Statistical Manual of Mental Disorders Third Edition-Revised or Fourth Edition, published by the American Psychiatric Association. The physician shall document the basis for the diagnosis in the beneficiary's individual patient record.
- b) As an alternative to complying with Paragraph (a) above, the therapist, physician assistant, or nurse practitioner, acting within the scope of their respective practice, shall evaluate each beneficiary to diagnose whether the beneficiary has a substance use disorder, within thirty (30) calendar days of the beneficiary's admission to treatment date. The diagnosis shall be based on the applicable diagnostic code from the Diagnostic and Statistical Manual of Mental Disorders Third Edition - Revised or Fourth Edition, published by the American Psychiatric Association. The individual who performs the diagnosis shall document the basis for the diagnosis in the beneficiary's individual patient record. The physician shall document approval of each beneficiary's diagnosis that is performed by a therapist, physician assistant or nurse practitioner by signing and dating the beneficiary's treatment plan.

**Finding:** The County is not ensuring all SUD program Medical Directors are establishing medical necessity.

**CD 5.11:**

Exhibit A, Attachment I, Part I, Section 4, B, 1, b

- b) Contractor shall conduct, at least annually, an audit of DMC providers to assure covered services are being appropriately rendered. The annual audit must include an on-site visit of the service provider. Reports of the annual review shall be provided to DHCS's Performance Management Branch at:

Department of Health Care Services  
SUD - Program, Policy and Fiscal Division  
Performance & Integrity Branch  
PO Box 997413, MS-2627  
Sacramento, CA 95899-7413

Or by secure, encrypted email to: [SUDCountyReports@dhcs.ca.gov](mailto:SUDCountyReports@dhcs.ca.gov)

**Finding:** The County did monitor zero (0) of six (6) of their service area providers. The County did not monitor six (6) of their service area providers for annual programmatic and fiscal requirements.



**TECHNICAL ASSISTANCE**

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

**CalOMS-Tx** : The County requested TA for CalOMS-Tx on how to determine which providers must report to CalOMS-Tx. DHCS's County Monitoring Analyst has been contacted and a referral has been made.