



WILL LIGHTBOURNE  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

July 9, 2020

Sent via e-mail to: [sgraber@co.slo.ca.us](mailto:sgraber@co.slo.ca.us)

Star Graber, PhD, LMFT, SUD Administrator  
San Luis Obispo County  
2180 Johnson Ave.  
San Luis Obispo, CA 93401

SUBJECT: Annual County Compliance Report

Dear Administrator Graber:

The Department of Health Care Services (DHCS) is responsible for monitoring compliance to the requirements of the Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver and the terms of the Intergovernmental Agreement operated by San Luis Obispo 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 San Luis Obispo County's State Fiscal Year 2019-20 DMC-ODS compliance review. The report identifies deficiencies, required corrective actions, new requirements, advisory recommendations, and referrals for technical assistance.

San Luis Obispo County is required to submit a Corrective Action Plan (CAP) addressing each compliance deficiency (CD) noted to the Medi-Cal Behavioral Health Division (MCBHD), Plan and Network Monitoring Branch (PNMB), County Monitoring Unit (CMU) Analyst by 8/10/2020. 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,

*BL Counter*

Becky Counter

(916) 713-8567

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Audits and Investigations Division  
Medical Review Branch  
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County Compliance Unit  
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Distribution:

To: Administrator Graber,

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[MCBHDMonitoring@dhcs.ca.gov](mailto:MCBHDMonitoring@dhcs.ca.gov), County and Provider Monitoring Unit  
Julianne Schmidt, LMFT, San Luis Obispo County Behavioral Health Clinician

<b>Lead CCU Analyst:</b> Becky Counter	<b>Date of Review:</b> June 2020
<b>Assisting CCU Analyst(s):</b> N/A	<b>Date of DMC-ODS Implementation:</b> 1/1/2018
<b>County:</b> San Luis Obispo	<b>County Address:</b> 2180 Johnson Ave. San Luis Obispo, CA 93401
<b>County Contact Name/Title:</b> Julianne Schmidt / Behavioral Health Clinician	<b>County Phone Number/Email:</b> (805) 781-4858 jschmidt@co.slo.ca.us
<b>Report Prepared by:</b> Becky Counter	<b>Report Approved by:</b> Mayumi Hata

## REVIEW SCOPE

- I. Regulations:
  - a. 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
  - b. 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 Intergovernmental Agreement (IA)
  - b. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices

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

<b>Section:</b>	<b>Number of CD's:</b>
<b>1.0 Administration</b>	<b>2</b>
<b>2.0 Member Services</b>	<b>0</b>
<b>3.0 Service Provisions</b>	<b>0</b>
<b>4.0 Access</b>	<b>1</b>
<b>5.0 Coordination of Care</b>	<b>0</b>
<b>6.0 Monitoring</b>	<b>1</b>
<b>7.0 Program Integrity</b>	<b>2</b>
<b>8.0 Compliance</b>	<b>2</b>

## CORRECTIVE ACTION PLAN

Pursuant to the Intergovernmental Agreement, Exhibit A, Attachment I, Part II, Section EE, 2 each CD identified must be addressed via a CAP. The CAP is due within thirty (30) calendar days of the date of this monitoring report. Advisory Recommendations (AR) 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) The name of the person who will be responsible for corrections and ongoing compliance.

The CMU liaison will monitor progress of the CAP completion.

## 1.0 ADMINISTRATION

A review of the administrative trainings, policies, and procedures was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in administration requirements were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 1.1:**

##### Intergovernmental Agreement Exhibit A, Attachment I, III, A, 1, iv-v

- iv. Physicians shall receive a minimum of five hours of continuing medical education related to addiction medicine each year.
- v. Professional staff (LPHAs) shall receive a minimum of five (5) hours of continuing education related to addiction medicine each year.

**Finding:** The Plan does not ensure SUD program professional staff have five (5) hours of continuing education units in addiction medicine annually.

#### **CD 1.7:**

##### Intergovernmental Agreement Exhibit A, Attachment I, 5, i, a, i-ii

- i. The Contractor shall follow the state's established uniform credentialing and re-credentialing policy that addresses behavioral and substance use disorders, outlined in DHCS Information Notice 18-019.
- ii. The Contractor shall follow a documented process for credentialing and re-credentialing of network providers.

##### MHSUDS Information Notice: 18-019

Effective immediately, Plans must implement and maintain written policies and procedures for the initial credentialing and re-credentialing of their providers in accordance with the policy outlined in this IN...

##### Credentialing Policy

For all licensed, waived, registered and/or certified providers, the Plan must verify and document the following items through a primary source, as applicable. The listed requirements are not applicable to all provider types. When applicable to the provider type, the information must be verified by the Plan unless the Plan can demonstrate the required information has been previously verified by the applicable licensing, certification and/or registration board.

1. The appropriate license and/or board certification or registration, as required for the particular provider type;
2. Evidence of graduation or completion of any required education, as required for the particular provider type;
3. Proof of completion of any relevant medical residency and/or specialty training, as required for the particular provider type; and
4. Satisfaction of any applicable continuing education requirements, as required for the particular provider type.

In addition, Plans must verify and document the following information from each network provider, as applicable, but need not verify this information through a primary source:

1. Work history;
2. Hospital and clinic privileges in good standing;
3. History of any suspension or curtailment of hospital and clinic privileges;
4. Current Drug Enforcement Administration identification number;
5. National Provider Identifier number;
6. Current malpractice insurance in an adequate amount, as required for the particular provider type;
7. History of liability claims against the provider;
8. Provider information, if any, entered in the National Practitioner Data Bank, when applicable. See <https://www.npdb.hrsa.gov/>;
9. History of sanctions from participating in Medicare and/or Medicaid/Medi-Cal: providers terminated from either Medicare or Medi-Cal, or on the Suspended and Ineligible Provider List, may not participate in the Plan's provider network. This list is available at: <http://files.medi-cal.ca.gov/pubsdoco/SandILanding.asp>; and
10. History of sanctions or limitations on the provider's license issued by any state's agencies or licensing boards...

#### Provider Re-credentialing

DHCS requires each Plan to verify and document at a minimum every three years that each network provider that delivers covered services continues to possess valid credentials, including verification of each of the credentialing requirements listed above. The Plan must require each provider to submit any updated information needed to complete the re-credentialing process, as well as a new signed attestation. In addition to the initial credentialing requirements, re-credentialing should include documentation that the Plan has considered information from other sources pertinent to the credentialing process, such as quality improvement activities, beneficiary grievances, and medical record reviews.

**Finding:** The Plan's policy for Credentialing of all licensed, waived, registered and/or certified providers via a primary source, is missing the following required elements:

- Proof of completion of any relevant medical residency and/or specialty training;
- Satisfaction of any applicable continuing education requirements.

The Plan's Credentialing policy does not require the following elements are verified, and documented for each network provider:

- Current malpractice insurance.



## 4.0 ACCESS

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

### COMPLIANCE DEFICIENCY:

#### **CD 4.18:**

#### Intergovernmental Agreement Exhibit A, Attachment I, II, E, 10, i

- i. The Contractor shall maintain a health information system that collects, analyzes, integrates, and reports data and can achieve the objectives of this part. The systems shall provide information on areas including, but not limited to, utilization, claims, and grievances and appeals.

**Finding:** The Plan does not have a health information system in place to collect, analyze, integrate and report data on utilization, claims, and grievances and appeals.

## 6.0 MONITORING

The following deficiency in monitoring was identified:

### COMPLIANCE DEFICIENCY:

#### **CD 6.26**

#### Intergovernmental Agreement Exhibit A, Attachment I, III, OO, 1, i, d

##### 1. Monitoring

- i. Contractor's performance under this Exhibit A, Attachment I, shall be monitored by DHCS annually during the term of the Agreement. Monitoring criteria shall include, but not be limited to:
  - d. Contractor shall conduct annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. Contractor shall submit copy of their monitoring and audit reports to DHCS within two weeks of issuance. Reports should be sent by secure, encrypted e-mail to:

sudcountyreports@dhcs.ca.gov

Alternatively, mail to:

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

**Finding:** The Plan indicated a total of ten (10) DMC-ODS monitoring reports were sent to DHCS for SFY 2018-19. The Plan did not monitor all providers for DMC-ODS programmatic and fiscal requirements. The Plan did monitor nine (9) of ten (10) Plan and sub-contracted providers for DMC-ODS programmatic requirements. The Plan did submit nine (9) of nine (9) DMC-ODS programmatic monitoring reports secure and encrypted. The Plan did submit nine (9) of nine (9) DMC-ODS programmatic monitoring reports to DHCS within two weeks of report issuance.

## 7.0 PROGRAM INTEGRITY

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

### COMPLIANCE DEFICIENCIES:

#### **CD 7.45:**

##### Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 7, iii, a-i

- iii. Written provider code of conduct for employees and volunteers/interns shall be established which addresses at least the following:
  - a. Use of drugs and/or alcohol
  - b. Prohibition of social/business relationship with beneficiaries or their family members for personal gain
  - c. Prohibition of sexual contact with beneficiaries
  - d. Conflict of interest
  - e. Providing services beyond scope
  - f. Discrimination against beneficiaries or staff
  - g. Verbally, physically, or sexually harassing, threatening or abusing beneficiaries, family members or other staff
  - h. Protection of beneficiary confidentiality
  - i. Cooperate with complaint investigations

##### Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 7, v

- v. Written roles and responsibilities and a code of conduct for the Medical Director shall be clearly documented, signed and dated by a provider representative and the physician.

**Finding:** The Plan's SUD program Medical Director's signed Code of Conduct for the County of San Luis Obispo is missing the following elements:

- Use of drugs and/or alcohol;
- Prohibition of social/business relationship with beneficiaries or their family members for personal gain;
- Prohibition of sexual contact with beneficiaries;
- Conflict of interest;
- Providing services beyond scope;
- Discrimination against beneficiaries or staff;
- Verbally, physically, or sexually harassing, threatening or abusing beneficiaries, family members or other staff;
- Protection of beneficiary confidentiality;
- Cooperate with complaint investigations; and
- Shall be clearly documented, signed and dated by a provider representative and the physician.

**CD 7.46:**

Intergovernmental Agreement Exhibit A, Attachment I, III, AA, 1-2 iv

1. In addition to complying with the subcontractual relationship requirements set forth in Article II E 8 of this Agreement, the Contractor shall ensure that all subcontracts require that the Contractor oversee and is held accountable for any functions and responsibilities that the Contractor delegates to any subcontractor.
2. Each subcontract shall:
  - iv. Ensure the Contractor monitors the subcontractor's performance on an ongoing basis and subject it to an annual onsite review, consistent with statutes, regulations, and Article III.PP.

Intergovernmental Agreement Exhibit A, Attachment I, III, FF, 4, i, c-f

- i. The CalOMS-Tx business rules and requirements are:
  - c. Electronic submission of CalOMS-Tx data shall be submitted by Contractor within 45 days from the end of the last day of the report month.
  - d. Contractor shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (Document 3J) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS-Tx data collection and reporting requirements.
  - e. Contractor 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. Contractor shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS identified in (Document 3S) for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method.

**Finding:** The following CalOMS-Tx report is non-compliant:

- Open Admissions Report

## 8.0 COMPLIANCE

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

### COMPLIANCE DEFICIENCIES:

#### **CD 8.49:**

Intergovernmental Agreement Exhibit A, Attachment I, III, F, 3, x

- i. Have a 24/7 toll free number for prospective beneficiaries to call to access DMC-ODS services and make oral interpretation services available for beneficiaries, as needed.

**Finding:** The Plan's access line is non-compliant. Two calls were made to the 24/7 access line on 4/30/20. The first phone call was made at 7:43am and when I requested information about Substance Use Disorder services, I was told to call back at 8am. The staff asked what number I was calling and I explained that I found the number on the County's website and that it was indicated as a 24-hour access line. The staff shared that she does not have information about Substance Use Disorder services and that if I call back at 8am, I could get assistance. This call was determined not to be in compliance.

I made a second phone call into the access line at 8:44am. During this call, I was given the phone number to the County's Drug and Alcohol clinic and explained if called, an assessment by phone could be completed and services are provided on a case by case basis. This call was determined to be compliant because the staff was able to explain the process, offered contact and screening information.

#### **CD 8.50**

Intergovernmental Agreement Exhibit A, Attachment I, III, Y, 8, ii, v, a

- a. The Contractor agrees to cure transactions errors or deficiencies identified by DHCS, and transactions errors or deficiencies identified by an enrolled provider if the Contractor is acting as a clearinghouse for that provider. If the Contractor is a clearinghouse, the Contractor agrees to properly communicate deficiencies and other pertinent information regarding electronic transactions to enrolled providers for which they provide clearinghouse services.

**Finding:** The Plan has not resolved previous deficiencies identified by DHCS in SFY 18-19 CD 7.50 Open Admissions.

**TECHNICAL ASSISTANCE**

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

**CalOMS and DATAR:** The County is requesting training for their Health Information Technician.