



MICHELLE BAASS
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

November 16, 2021

Sent via e-mail to: QuistR@saccounty.net

Ryan Quist, Behavioral Health Director
Sacramento County Behavioral Health Services
7001-A East Parkway, Suite 400
Sacramento, CA 95823

SUBJECT: Annual DMC-ODS County Compliance Unit Findings Report

Dear Director Quist:

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 Sacramento 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 Sacramento County's State Fiscal Year 2020-21 DMC-ODS compliance review. The report identifies deficiencies, required corrective actions, new requirements, advisory recommendations, and referrals for technical assistance.

Sacramento 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/Provider Operation and Monitoring Branch (CPOMB) Analyst by 1/17/2022. Please use the enclosed CAP form and submit the completed CAP and supporting documentation via email to the CPOMB liaison at MCBHDMonitoring@dhcs.ca.gov.

If you have any questions or need assistance, please contact me at katrina.beedy@dhcs.ca.gov.

Sincerely,

Katrina Beedy
(916) 713-8811
katrina.beedy@dhcs.ca.gov

Audits and Investigations Division
Medical Review Branch
Behavioral Health Compliance Section
County Compliance Unit
1500 Capitol Ave., MS 2305
Sacramento, CA 95814
<http://www.dhcs.ca.gov>

Distribution:

To: Director Quist,

CC: Mateo Hernandez, Audits and Investigations, Medical Review Branch Acting Chief
Lanette Castleman, Audits and Investigations, Behavioral Health Compliance Section Chief
Ayesha Smith, Audits and Investigations, Behavioral Health Compliance Unit Chief
Michael Bivians, Audits and Investigations, County Compliance Monitoring II Chief
Cindy Berger, Audits and Investigations, Provider Compliance Unit Chief
Mayumi Hata, Medi-Cal Behavioral Health Division, County/Provider Operations and
Monitoring Branch Chief
MCBHDMonitoring@dhcs.ca.gov, County/Provider Operations and Monitoring Branch
Ed Dziuk, Health Program Manager, Sacramento County Substance Use Prevention and
Treatment Services
Lori Miller, Division Manager, Sacramento County Substance Use Prevention and Treatment
Services
Andrew Mendonsa, Program Manager, Sacramento County Substance Use Prevention and
Treatment Services
Stephanie Dasalla, Program Planner, Sacramento County Substance Use Prevention and
Treatment Services

COUNTY REVIEW INFORMATION

County:

Sacramento

County Contact Name/Title:

Ed Dziuk, Health Program Manager

County Address:

7001-A East Parkway, Suite 400, Sacramento, CA 95823

County Phone Number/Email:

dziuked@saccounty.net

916-875-2057

Date of DMC-ODS Implementation:

7/1/2019

Date of Review:

10/25/2021

Lead CCU Analyst:

Katrina Beedy

Assisting CCU Analyst:

N/A

Report Prepared by:

Katrina Beedy

Report Approved by:

Ayesha Smith

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. Fiscal Year (FY) 2020-21 Intergovernmental Agreement (IA)
 - b. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices
 - c. Behavioral Health Information Notices (BHIN)

ENTRANCE AND EXIT CONFERENCE SUMMARIES

Entrance Conference:

An Entrance Conference was conducted via WebEx on 10/25/21. The following individuals were present:

- Representing DHCS:
Katrina Beedy, Associate Governmental Program Analyst (AGPA)
- Representing Sacramento County:
Ed Dziuk, Health Program Manager, Substance Use Prevention and Treatment Services
Lori Miller, Division Manager, Substance Use Prevention and Treatment Services
Andrew Mendonsa, Program Manager, Substance Use Prevention and Treatment Services
Stephanie Dasalla, Program Planner, Substance Use Prevention and Treatment Services

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of the monitoring process

Exit Conference:

An Exit Conference was conducted via WebEx on 10/25/2021. The following individuals were present:

- Representing DHCS:
Katrina Beedy, AGPA
- Representing Sacramento County:
Ed Dziuk, Health Program Manager, Substance Use Prevention and Treatment Services
Lori Miller, Division Manager, Substance Use Prevention and Treatment Services
Andrew Mendonsa, Program Manager, Substance Use Prevention and Treatment Services
Stephanie Dasalla, Program Planner, Substance Use Prevention and Treatment Services

During the Exit Conference, the following topics were discussed:

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

SUMMARY OF FY 2020-21 COMPLIANCE DEFICIENCIES (CD)

| <u>Section:</u> | <u>Number of CD's</u> |
|---|-----------------------|
| 1.0 Availability of DMC-ODS Services | 3 |
| 2.0 Coordination of Care | 0 |
| 3.0 Quality Assurance and Performance Improvement | 5 |
| 4.0 Access and Information Requirements | 0 |
| 5.0 Beneficiary Rights and Protections | 0 |
| 6.0 Program Integrity | 1 |

CORRECTIVE ACTION PLAN (CAP)

Pursuant to the Intergovernmental Agreement, Exhibit A, Attachment I, Part III, Section KK, 2, i 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 2020-21 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 CPOMB liaison will monitor progress of the CAP completion.

Category 1: AVAILABILITY OF DMC-ODS SERVICES

A review of the administrative trainings, policies and procedures was conducted to ensure compliance with applicable regulations, and standards. The following deficiencies in availability of DMC-ODS services were identified:

COMPLIANCE DEFICIENCIES:

CD 1.1.2:

Intergovernmental Agreement Exhibit A, Attachment I, II, E, 1, iii, a-f

- iii. The Contractor shall comply with the following timely access requirements:
 - a. Meet and require its network providers to meet Department standards for timely access to care and services, taking into account the urgency of the need for services.
 - b. Ensure that the network providers offer hours of operation that are no less than the hours of operation offered to commercial beneficiaries or comparable to Medicaid FFS, if the provider serves only Medicaid beneficiaries.
 - c. Make services included in this Agreement available 24 hours a day, 7 days a week, when medically necessary.
 - d. Establish mechanisms to ensure compliance by network providers.
 - e. Monitor network providers regularly to determine compliance.
 - f. Take corrective action if there is a failure to comply by a network provider.

Findings: The Plan does not comply with all timely access requirements. The Plan did not provide evidence of the following timely access requirements:

- Monitor network providers to determine compliance; and
- Take corrective action if there is a failure to comply by a network provider.

CD 1.3.2:

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.

Findings: The Plan did not provide evidence demonstrating that two (2) LPHAs from any three (3) of the DMC-ODS subcontractors completed the required CEUs in addiction medicine during FY 2019-20.

CD 1.3.5:

Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 6, 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; and
 - i. Cooperate with complaint investigations.

Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 6, 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.

Findings: The Code of Conduct provided for the Plan 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
- Cooperate with complaint investigations
- Shall be clearly documented, signed and dated by a provider representative and the physician

Category 3: QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT

A review of the practice guidelines, monitoring, and other quality assurance requirements was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in quality assurance and performance improvement were identified:

COMPLIANCE DEFICIENCIES:

CD 3.1.3

Intergovernmental Agreement Exhibit A, Attachment I, II, E, 1, iii, c-f

- iii. The Contractor shall comply with the following timely access requirements:
 - c. Make services included in this Agreement available 24 hours a day, 7 days a week, when medically necessary.
 - d. Establish mechanisms to ensure compliance by network providers.
 - e. Monitor network providers regularly to determine compliance.
 - f. Take corrective action if there is a failure to comply by a network provider.

Findings: The Plan did not provide evidence to demonstrate the contractor's compliance in following timely access requirements:

- Monitor network providers regularly to determine compliance.
- Take corrective action if there is a failure to comply by a network provider.

CD 3.2.1

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

1. Monitoring

- i. The Contractor's performance under this Exhibit A, Attachment I, shall be monitored by DHCS annually during the term of this 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
Medi-Cal Behavioral Health Division
1500 Capitol Avenue, MS-2623
Sacramento, CA 95814

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.

Findings: The Plan did not monitor all County and subcontracted providers for compliance with DMC-ODS programmatic and fiscal requirements. Specifically:

- For FY 2019-20, the Plan monitored zero (0) of 21 Plan and subcontracted providers located inside and outside the County for DMC-ODS programmatic and fiscal requirements, and did not submit audit reports to DHCS.

CD 3.2.2

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; and
 - 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.

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.

Findings: The following CalOMS-Tx reports are non-compliant:

- Open Admissions Report
- Open Providers Report

CD 3.2.3

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

- i. The CalOMS-Tx business rules and requirements are:
 - 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.

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

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; and
 - v. Ensure the Contractor identifies deficiencies or areas for improvement, the subcontractor shall take corrective actions and the Contractor shall ensure that the subcontractor implements these corrective actions.

Findings: The Plan did not demonstrate how they take corrective action if there is a failure to comply with the Plan's standards of data accuracy and data content.

CD 3.3.5

Intergovernmental Agreement Exhibit A, Attachment I, III, CC, 8, a-d

8. The Contractor shall implement mechanisms to assess beneficiary/family satisfaction. The Contractor shall assess beneficiary/family satisfaction by:
 - a. Surveying beneficiary/family satisfaction with the Contractor's services at least annually.
 - b. Evaluating beneficiary grievances, appeals and fair hearings at least annually.
 - c. Evaluating requests to change persons providing services at least annually.
 - d. The Contractor shall inform providers of the results of beneficiary/family satisfaction activities.

MHSUDS Information Notice: 17-026

Use of the TPS is required to fulfill the county's EQRO requirements related to having a valid client survey. Counties shall administer the TPS at least once annually, following the instructions provided below. However, as a best practice, counties can conduct more frequent client satisfaction surveys and/or include additional survey questions as long as the standard TPS is utilized.

Findings: The Plan's mechanism to assess beneficiary/family satisfaction did not include the following required elements:

- Evaluating requests to change persons providing services at least annually.
- The Contractor shall inform providers of the results of beneficiary/family satisfaction activities.

Category 6: PROGRAM INTEGRITY

A review of the compliance program, service verification, and fraud reporting was conducted to ensure compliance with applicable regulations and standards. The following deficiency in program integrity was identified:

COMPLIANCE DEFICIENCY:

CD 6.2.2

Intergovernmental Agreement Exhibit A, Attachment I, II, H, 5, ii, b & g

- ii. The arrangements or procedures shall include the following:
 - b. Provision for prompt reporting of all overpayments identified or recovered, specifying the overpayments due to potential fraud, to the Department.
 - g. Provision for the prompt referral of any potential fraud, waste, or abuse that the Contractor identifies to the Department Medicaid program integrity unit or any potential fraud directly to the State Medicaid Fraud Control Unit.

Intergovernmental Agreement Exhibit A, Attachment I, II, H, 5, v, c

- v. Treatment of recoveries made by the Contractor of overpayments to providers.
 - c. The Contractor shall annually report to the Department on their recoveries of overpayments.

MHSUDS Information Notice 19-022

Consistent with Exhibit A, Attachment I of the Intergovernmental Agreement (IA), DMC-ODS counties must submit a completed and signed certification statement on county letterhead to ODSSubmissions@dhcs.ca.gov. The certification is required with each submission of the following data, documentation, and information:

- Enrollee encounter data;
- Documentation to demonstrate compliance with DHCS' requirements for availability and accessibility of services, including the adequacy of the provider network;
- Information on ownership and control;
- Annual report of overpayment recoveries;
- Quarterly data submitted to DHCS on beneficiary grievance and appeals;
- Monthly American Society of Addiction Medicine Level of Care data; and
- Other data, information, or documentation related to the performance of the county's obligations as required by DHCS or the Secretary of Health and Human Services, and in the DMC-ODS IA.

The certification statement must be on county letterhead and conform to the following requirements:

- Indicate the current month during which all data, information, and documentation submitted to DHCS, as described above, is certified;
- Reference, with specificity, all types of data, information, and documentation described in the bulleted list above; and
- State that the data, information, and documentation to which the certification statement applies is "accurate, complete, and truthful" to the declarant's "best information, knowledge, and belief."

The Chief Executive Officer (CEO), the Chief Financial Officer (CFO), or an individual who reports to the CEO or CFO with the delegated authority to sign for the CEO or CFO, so that the CEO or CFO is

ultimately responsible for the certification, must sign the certification statement. The attached DMC-ODS County Certification template includes the requirements described above.

Findings: The Plan did not provide evidence demonstrating a completed and signed certification statement on County letterhead was sent with the data, documentation and information regarding the annual reporting of overpayment recoveries to DHCS.

TECHNICAL ASSISTANCE

Sacramento County did not request technical assistance for this review.