



WILL LIGHTBOURNE  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

September 22, 2020

Sent via e-mail to: [Shaina.zurlin@santacruzcounty.us](mailto:Shaina.zurlin@santacruzcounty.us)

Shaina Zurlin, Chief of Substance Use Disorder Services  
Santa Cruz County Substance Use Disorder Services  
1400 Emeline Ave.  
Santa Cruz, CA 95060

SUBJECT: Annual County Compliance Unit Report

Dear Chief Zurlin:

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

Santa Cruz 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 10/22/2020. 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, please contact me at [becky.counter@dhcs.ca.gov](mailto:becky.counter@dhcs.ca.gov).

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  
1500 Capitol Ave., MS 2305  
Sacramento, CA 95814  
<http://www.dhcs.ca.gov>

Distribution:

To: Chief Zurlin,

CC: Mateo Hernandez, Audits and Investigations, Medical Review Branch Acting Chief  
Lanette Castleman, Audits and Investigations, Behavioral Health Compliance Section Chief  
Michael Bivians, Audits and Investigations, County Compliance Monitoring II Chief  
Janet Rudnick, Audits and Investigations, Provider Compliance Unit Chief  
Tracie Walker, Community Services Division, Community Support Branch Chief  
Donna Ures, Community Services Division, Policy, Monitoring and Financing Section Chief  
Katrina Cox, Community Services Division, Prevention Services Section Chief  
Jessica Fielding, Community Services Division, Family Services Unit Chief  
Angelina Azevedo, Community Services Division, Prevention Services Unit Chief  
Denise Galvez, Community Services Division, Youth Services Section Chief  
[SABGcompliance@dhcs.ca.gov](mailto:SABGcompliance@dhcs.ca.gov), Policy, Monitoring and Financing Section  
[MCBHDMonitoring@dhcs.ca.gov](mailto:MCBHDMonitoring@dhcs.ca.gov), County and Provider Monitoring Unit  
Cybele Lolley, Santa Cruz County, Quality Improvement Manager  
Casey Swank, Santa Cruz County, Behavioral Health Program Manager (SUDS)

|   |   |
|---|---|
| <b>Lead CCU Analyst:</b><br>Becky Counter   | <b>Date of Review:</b><br>July 2020   |
| <b>Assisting CCU Analyst(s):</b><br>N/A   |   |
| <b>County:</b><br>Santa Cruz  | <b>County Address:</b><br>1400 Emeline Ave.<br>Santa Cruz, CA 95060                   |
| <b>County Contact Name/Title:</b><br>Casey Swank, Behavioral Health<br>Program Manager (SUDS) | <b>County Phone Number/Email:</b><br>(831) 454-5499<br>Casey.swank@santacruzcounty.us |
| <b>Report Prepared by:</b><br>Becky Counter   | <b>Report Approved by:</b><br>Lanette Castleman                                       |

## 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

**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>2</b>               |
| <b>3.0 Perinatal</b>                        | <b>0</b>               |
| <b>4.0 Adolescent/Youth Treatment</b>       | <b>0</b>               |
| <b>5.0 Primary Prevention</b>               | <b>0</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>0</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 1.8:**

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

##### S. Byrd Anti-Lobbying Amendment (31 USC 1352)

Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Contractor shall also disclose to DHCS any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

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

##### Y. Subcontract Provisions

Contractor shall include all of the foregoing Part II general provisions in all of its subcontracts.

**Findings:** The County did not demonstrate all of the foregoing SABG State-County Contract Exhibit A, Attachment I A2, Part II general provisions are included in all subcontracts, specifically the Byrd Anti-Lobbying Amendment. The County did not provide evidence they demonstrate County and Subcontractor compliance with the requirements of the Byrd Anti-Lobbying Amendment.

## 2.0 SABG MONITORING

The following deficiencies in the SABG monitoring requirements were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 2.9:**

##### SABG State-County Contract Exhibit A, Attachment I A2, Part II, X, 1

##### X. Information Access for Individuals with Limited English Proficiency

1. Contractor shall comply with all applicable provisions of the Dymally-Alatorre Bilingual Services Act (Government Code sections 7290-7299.8) regarding access to materials that explain services available to the public as well as providing language interpretation services.

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

##### Y. Subcontract Provisions

Contractor shall include all of the foregoing Part II general provisions in all of its subcontracts.

**Findings:** The County did not demonstrate all of the foregoing SABG State-County Contract Exhibit A, Attachment I A2, Part II general provisions are included in all subcontracts, specifically the Dymally-Alatorre Bilingual Services Act.



**CD 2.12:**

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

1. Contractor's performance under this Exhibit A, Attachment I, Part I, shall be monitored by DHCS during the term of this Contract.
  - e. Whether the Contractor conducted annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. Contractor shall submit copy of its monitoring and audit reports to DHCS within two weeks of issuance. Reports shall be sent by secure, encrypted email to:

SUDCountyReports@dhcs.ca.gov or

Substance Use Disorder-Program, Policy, and Fiscal Division  
Performance Management Branch  
Department of Health Care Services  
PO Box 997413, MS-2627  
Sacramento, CA 95899-7413

**Findings:** The County did not monitor all county and subcontracted providers for compliance with SABG programmatic and fiscal requirements. Specifically:

- For SFY 2018-19, the County monitored 14 of 15 County and sub-contracted providers for SABG programmatic requirements, and submitted audit reports of these monitoring reviews to DHCS.
- The County submitted three (3) of 15 SABG audit reports secure and encrypted.

## 8.0 PRIVACY AND INFORMATION SECURITY

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

### COMPLIANCE DEFICIENCY:

#### **CD 8.35:**

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

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

##### SABG State-County Contract Exhibit A, Attachment I A2, Part II, U, 12

###### U. Federal Law Requirements

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

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

###### Y. Subcontract Provisions

Contractor shall include all of the foregoing Part II general provisions in all of its subcontracts.

**Findings:** The County did not demonstrate all of the foregoing SABG State-County Contract Exhibit A, Attachment I A, Part II general provisions are included in all executed subcontracts, specifically the requirement of 42 CFR Part 2, Subparts A-E. The County did not provide evidence the County requires compliance with the regulations regarding confidentiality of alcohol and drug abuse patient records.

**TECHNICAL ASSISTANCE**

Santa Cruz County did not request Technical Assistance for FY 2019-20.