



WILL LIGHTBOURNE
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

October 15, 2020

Sent via e-mail to: lsalas@sierracounty.ca.gov

Lea Salas, Interim Director
Sierra County Health and Human Services
Post Office Box 7
Loyalton, CA 96118

SUBJECT: Annual County Compliance Unit Report

Dear Director Salas:

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 Sierra 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 Sierra 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.

Sierra 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 11/16/2020. Please use the enclosed CAP form and submit the completed CAP and supporting documentation via email to the CMU analyst at MCBHDMonitoring@dhcs.ca.gov.

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

Sincerely,

Michael Bivians
(916) 713-8966
michael.bivians@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 Salas,

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
Mayumi Hata, Medi-Cal Behavioral Health Division, County/Provider Operations and
Monitoring Branch Chief
MCBHDMonitoring@dhcs.ca.gov, County and Provider Monitoring Unit
Kathryn Hill, Sierra County Behavioral Health Clinical Director

Lead CCU Analyst: Michael Bivians	Date of Review: August 2020
Assisting CCU Analyst(s): N/A	
County: Sierra	County Address: Post Office Box 7 Loyalton, CA 96118
County Contact Name/Title: Kathryn Hill, LMFT / Sierra County Behavioral Health Clinical Director	County Phone Number/Email: 530-993-6746 khill@sierracounty.ca.gov
Report Prepared by: Michael Bivians	Report Approved by: Lanette Castleman

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)

Section:	Number of CD's:
1.0 Administration	2
2.0 Beneficiary Services	0
3.0 Service Provisions	0
4.0 Access	0
5.0 Monitoring	1
6.0 Program Integrity	2
7.0 Compliance	14

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.

1.0 ADMINISTRATION

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

COMPLIANCE DEFICIENCIES:

CD 1.1:

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

B. It is further agreed this Contract is controlled by applicable provisions of: (a) the W&I Code, Chapter 7, Sections 14000, et seq., in particular, but not limited to, Sections 14100.2, 14021, 14021.5, 14021.6, 14043, et seq., (b) Title 22, including but not limited to Sections 51490.1, 51341.1 and 51516.1; and (c) Division 4 of Title 9 of the California Code of Regulations (hereinafter referred to as Title 9).

22 CCR § 51341.1 (b) (28) (A) (iii)

iii. ... A substance use disorder medical director shall receive a minimum of five (5) hours of continuing medical education in addiction medicine each year...

Findings: The County did not provide evidence to support Sierra County's Medical Director received the annual five (5) hours of continuing medical education units in addiction medicine.

The County did not provide evidence to support Progress House's Medical Director received the annual five (5) hours of continuing medical education in addiction medicine.

CD 1.2:

Exhibit A, Attachment I, Part I, Section 4, A, 3, a

a.) Contractor shall ensure subcontractors complete training on the requirements of Title 22 regulations and DMC program requirements at least annually from either DHCS' SUD Program, Policy and Fiscal Division (SUD PPF) or the Contractor. Contractor shall provide documentation of attendance at the annual training to DHCS' e-mail address SUDCOUNTYREPORTS@dhcs.ca.gov annually as part of the DHCS Contractor monitoring process.

Findings: The County did not provide evidence County staff and subcontractors received Title 22 training, at least annually, and submitted to DHCS via SUDCountyReports@dhcs.ca.gov.

5.0 MONITORING

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

COMPLIANCE DEFICIENCY:

CD 5.9:

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.

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:

Findings: The County's system for ensuring DMC services are meeting all Medi-Cal requirements does not include evaluating the following areas for utilization and quality:

- Sign-in Sheets.
- Minimum Quality Drug Treatment Standards 2F(a).

6.0 PROGRAM INTEGRITY

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

COMPLIANCE DEFICIENCIES:

CD 6.17:

Exhibit A, Attachment I, Part I, 3, A, 4, c

4. Contractor shall require all the subcontracted providers of services to be licensed, registered, DMC certified and/or approved in accordance with applicable laws and regulations. The Contractor's subcontracts shall require that providers comply with the following regulations and guidelines:

c) Minimum Quality Treatment Standards, (Document 2F(a))

Document 2F(a), A, 5

Compliance with the following Minimum Quality Treatment Standards is required in addition to CCR Title 9 and 22 regulations for all SUD treatment programs either partially or fully funded through DMC. If conflict between regulations and standards occurs, the most restrictive shall apply.

A. Personnel Policies

5. Written roles and responsibilities and a code of conduct for the medical director shall be clearly documented, signed and dated by a program representative and physician.

22 CCR § 51341.1 (b) (28) (A) (i) (a-f)

- i. ...The substance use disorder medical director's responsibilities shall at a minimum include all of the following:
- a. Ensure that medical care provided by physicians, registered nurse practitioners, and physician assistants meets the applicable standard of care.
 - b. Ensure that physicians do not delegate their duties to non-physician personnel.
 - c. Develop and implement medical policies and standards for the provider.
 - d. Ensure that physicians, registered nurse practitioners, and physician assistants follow the provider's medical policies and standards...
 - e. Ensure that the medical decisions made by physicians are not influenced by fiscal considerations.
 - f. Ensure that provider's physicians are adequately trained to perform other physician duties, as outlined in this section.

Findings: The written roles and responsibilities for Sierra County's Medical Director did not include the following requirement:

- Signed and dated by the program representative and physician.

The written roles and responsibilities for Progress House's Medical Director did not include the following requirements;

- Ensure that physicians do not delegate their duties to non-physician personnel.
- Ensure that the medical decisions made by physicians are not influenced by fiscal considerations.
- Signed and dated by a provider representative and the physician.

CD 6.18:

Document 2F(a), A, 5

Compliance with the following Minimum Quality Treatment Standards is required in addition to CCR Title 9 and 22 regulations for all SUD treatment programs either partially or fully funded through DMC. If conflict between regulations and standards occurs, the most restrictive shall apply.

A. Personnel Policies

5. Written roles and responsibilities and a code of conduct for the medical director shall be clearly documented, signed and dated by a program representative and physician.

Document 2F(a), A, 3

Compliance with the following Minimum Quality Treatment Standards is required in addition to CCR Title 9 and 22 regulations for all SUD treatment programs either partially or fully funded through DMC. If conflict between regulations and standards occurs, the most restrictive shall apply.

A. Personnel Policies

3. Written 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 beneficiary's 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 beneficiary's or staff;
 - g) Verbally, physically, or sexually harassing, threatening, or abusing beneficiary's, family members or other staff;
 - h) Protection beneficiary confidentiality;
 - i) The elements found in the code of conduct(s) for the certifying organization(s) the program's counselors are certified under; and
 - j) Cooperate with complaint investigations.

Findings: The Code of Conduct for Sierra County's Medical Director did not include the following requirement:

- Signed and dated by a provider representative and the physician.

The Code of Conduct for the Medical Director of Granite Wellness' Auburn facility did not include the following requirement:

- Signed and dated by a provider representative and the physician.

The Code of Conduct for the Medical Director of Granite Wellness' Hope House/Serenity House did not include the following requirement:

- Signed and dated by a provider representative and the physician.

7.0 COMPLIANCE

During the SFY 2019-20 review, the following CAPs with New Requirements (NRs) were discussed and are still outstanding.

State Fiscal Year: FY 2018-19

NR #: 9.42

Finding: The County must develop a clearly written statement notifying sub-contracted DMC providers of the No Unlawful Use or Unlawful Use of Messages Regarding Drugs

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Sierra County subcontractors agree that information produced through DMC funds, and which pertain to drug and alcohol related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (HSC Section 11999-11999.3).

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.43

Finding: The County must retain records for ten years for each service rendered.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Sierra County retains records for each service rendered for 10 years. All records are archived in our EHR (electronic health record) through Cerner. Sierra County holds hard copy file for 3 years, all files are then sent to Iron Mountain Shredding where they stay in storage for an additional 7 years.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.45

Finding: The County must develop assessment and referral procedures for all of the above required DMC covered services.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Sierra County SUD assessment and referrals are followed by the initial screening process provided by a certified SUD counselor. From the initial screening participants identified as meeting criteria for outpatient drug free treatment (ODF) are given an appointment for intake and an ASAM (American Society of Addiction Medicine) assessment. During the ASAM assessment, referrals for identified needs are made to ancillary services within Sierra County.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.46

Finding: The County must comply with the following requirements for Naltrexone treatment:

- Has a confirmed, documented history of opiate addiction.
- Is at least (18) years of age.
- Is opiate free.
- Is not pregnant.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: When a Sierra County beneficiary identifies as wanting Naltrexone treatment, they are linked to an out of county Medication Assisted Treatment provider. Sierra County does not offer Naltrexone Treatment within the County at this time.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.47

Finding: The County must develop a monitoring process for DMC program requirements.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Please see attached monitoring tools. S5 Q9 Blank Monitoring Tool

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.48

Finding: The County must comply with the Minimum Quality Drug Treatment Standards for DMC.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Through site audits and monitoring tools the County is able to address compliance with subcontractors. Sierra County requires all subcontracted providers of services to be licensed, registered, DMC certified and/or approved in accordance with applicable laws and regulations. All subcontractors must comply with the following regulations guidelines:

- a) Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8
- b) Title 22, CCR, Section 51341.1, 51490.1 and 51516.1 (Document 2C)
- c) Minimum Quality Treatment Standards, (Document 2F (a))
- d) Title 9, CCR, Division 4, Chapter 4, Subchapter 1 Section 1000, et seq
Title 22, CCR, Division 3, Chapter 3, Sections 51000 et seq.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.53

Finding: The County must ensure that staff are qualified to monitor to State-County contract requirements.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: The County ensures staff are qualified to monitor State-County contracts by annual attendance of training from DHCS SUD Program, Policy and Fiscal Division (SUD PPF). Documented attendance of these trainings are to be sent to SUDCOUNTYREPORTS@dhcs.ca.gov as a part of the County's monitoring process.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: 2018-19

NR #: 9.58

Finding: The County must review and verify that claims submitted were accurate and legitimate.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Sierra County utilizes fiscal department pre and post payment utilization reviews to determine whether the DMC service is provided in accordance with Title 22, Section 51341.1. All claimed DMC services are reviewed for compliance with applicable standards and regulations after services are rendered.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.59

Finding: The County must develop a process to notify the Master Provider File Team within two business days of notification or discovery of subcontractors' contract termination.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: The County notifies the Department of any termination of subcontractors, and will include the basis for the termination within two business days. The County will then submit the notification by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.60

Finding: The County must ensure subcontracted providers are accepting proof of DMC eligibility as payment in full for drug treatment services.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Through fiscal/program audits and annual monitoring Sierra County is ensuring subcontracted providers are accepting proof of DMC eligibility as payment in full for drug treatment services through out of county contracts which identify 22 CCR 51341.1 (h)(7). (7) Except where share of cost as defined in Section 50090, is applicable providers shall accept proof of eligibility for Drug Medi-Cal as payment in full for treatment services rendered. Providers shall not charge fees to a beneficiary for access to Drug Medi-Cal substance use disorder services or for admission to a Drug Medi-Cal treatment slot.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: 2018-19

NR #: 9.61

Finding: The County must provide services to beneficiaries who reside out of county.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Sierra County provides covered services to collaborative court and child family services clients, directly by the County or subcontractors with DMC certified and enrolled programs, services are provided to beneficiaries' without regard to the beneficiaries' county of residence per: Exhibit A, Attachment I A1, Part I, Section 2, B, 2.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.64

Finding: The County must ensure subcontractors are in compliance with the following requirements before authorizing residential services:

- Must be documented in beneficiary record.
- Physician shall determine whether SUD services are medically necessary based on Title 22, Section 51303.
- Initially – Required within 30 days of admission Continually – Within 15 days of signature by the therapist or counselor on updated treatment plan(s).
- No sooner than 5 months and no later than 6 months from admission or the date of completion of the most recent continuing services justification.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Sierra County ensures its subcontractors comply with medical necessity criteria by monitoring through documentation and review processes per policies and contract standards, how the physician or other identified personnel evaluate a beneficiary's to diagnose a substance use disorder, within 30 days of the beneficiary's admission to treatment as specified in Title 22, Section 51303.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.65

Finding: The County must ensure that all DMC programs have medical policies and standards developed and approved by the program medical director.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Progress House to provide medical policies and standards.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

State Fiscal Year: FY 2018-19

NR #: 9.66

Finding: The County must ensure subcontractor medical director receive five hours annually of continuing education units in addiction medicine.

Reason for non-clearance of CD: Building policies and learning regulations of DMC.

County plan to remediate: Copy of Progress House Medical Director CEU's on Addiction Medicine provided.

Original expected date of completion: 12/15/2019

Updated/ revised date of completion: 5/14/2020 is the last date of completion currently offered by the County.

TECHNICAL ASSISTANCE

Sierra County did not request Technical Assistance during this review.