



JENNIFER KENT
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

July 5, 2019

Sent via e-mail to: Phillip.Hernandez@tchsa.net

Phillip Hernandez, Director
Tehama County Drug and Alcohol
PO Box 400
Red Bluff, CA 96080

SUBJECT: Annual County Performance Unit Report

Dear Director Hernandez:

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 State Plan Drug Medi-Cal (DMC) Contract operated by Tehama County.

The County Performance Unit (CPU) within the Substance Use Disorder Program, Policy, and Fiscal Division (SUDPPFD) 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 Tehama County's 2018-19 SABG and State Plan DMC Contract compliance review. The report identifies deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

Tehama County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CPU Analyst by 8/2/2019. Please follow the enclosed instructions when completing the CAP. Supporting CAP documentation may be e-mailed to the CPU analyst or mailed to the address listed below.

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

Sincerely,

A handwritten signature in black ink that reads 'CQueen'.

Cassandra Queen
(916) 713-8568
cassandra.queen@dhcs.ca.gov

Substance Use Disorder
Program, Policy and Fiscal Division
County Performance Unit
P.O. Box 997413, MS 2627
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Distribution:

To: Director Hernandez

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Tiffany Stover, Postservice Postpayment Unit I Supervisor
Eric Painter, Postservice Postpayment Unit II Supervisor
Patricia Gulfam, Prevention Quality Assurance and Support Unit Supervisor
Jessica Fielding, Office of Women, Perinatal and Youth Services Supervisor

Lead CPU Analyst: Cassandra Queen	Date of Review: March 2019
Assisting CPU Analyst(s): N/A	
County: Tehama	County Address: PO Box 400 Red Bluff, CA 96080
County Contact Name/Title: Phillip Hernandez, Director	County Phone Number/Email: (530) 527-7893 / Phillip.Hernandez@tchsa.net
Report Prepared by: Cassandra Queen	Report Approved by: Susan Jones

REVIEW SCOPE

- I. Regulations:
 - a. 22 CCR § 51341.1 – Drug Medi-Cal Substance Use Disorder Services
 - b. 45 CFR; Part 96; Subpart L; §96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
 - c. 42 USC, Section 300x-21 through 300x-66: Substance Abuse Prevention and Treatment Block Grant
 - d. HSC, Division 10.5, Section 11750 – 11970: State Department of Health Care

- II. Program Requirements:
 - a. State Fiscal Year (SFY) 2018-19 State County Contract, herein referred to as State County Contract
 - b. State of California *Youth Treatment Guidelines Revised August 2002*
 - c. DHCS *Perinatal Services Network Guidelines SFY 2016-17*
 - d. National Culturally and Linguistically Appropriate Services (CLAS)
 - e. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices

SUMMARY OF SFY 2018-19 COMPLIANCE DEFICIENCIES (CD & NR)

Section:	Number of CD's:
1.0 Administration	2
2.0 SABG Monitoring	3
3.0 Perinatal	0
4.0 Adolescent/Youth Treatment	0
5.0 Primary Prevention	0
6.0 Cultural Competence	2
7.0 CalOMS and DATAR	2
8.0 Privacy and Information Security	2
9.0 Drug Medi-Cal (DMC)	11

PREVIOUS CAPs

During the SFY 2018-19 review, the following CAPs with CDs were discussed and are still outstanding.

2016-17:

CD 2.21:

Finding: The County did not submit all required SAPT BG monitoring and auditing reports for SFY 15/16 to DHCS within two weeks of report issuance.

Reason for non-clearance of CD: The County did not provide a reason for non-clearance **Plan to correct:** County staff will conduct monitoring and subsequent reports of all SABG programs (Perinatal, Adolescent, and both SABG funded Prevention programs) and submit the reports to: SUDCountyReports@DHCS.ca.gov

Original expected date of completion: November 30, 2018

Updated/revised date of completion: August 2, 2019

CD 10.57.d:

Finding: The County (provider #525201) has annual updates or client discharges, for beneficiaries in treatment over one year that need to be submitted.

Reason for non-clearance of CD: The County did not provide a reason for non-clearance.

Plan to correct: The County is working to back up staff notifications to 60 days prior to expiration and the CalOMS submission deadline 30 days to ensure a clean report.

Original expected date of completion: November 30, 2018

Updated/revised date of completion: August 2, 2019

2017-18:

CD 1.3:

Finding: The County did not provide the SABG treatment provider contract that addresses compliance with Debarment and Suspension.

Reason for non-clearance of CD: The County did not provide a reason for non-clearance **Plan to correct:** Upon completion, the County will submit signed contracts with new language.

Original expected date of completion: September 28, 2018

Updated/revised date of completion: August 2, 2019

CD 1.8:

Finding: The County did not conduct the 2017-18 annual risk assessment for each subcontractor prior to making an award.

Reason for non-clearance of CD: The County did not provide a reason for non-clearance

Plan to correct: Upon completion, the risk assessment will be conducted for each provider.

Original expected date of completion: December 21, 2018

Updated/revised date of completion: August 2, 2019

CD 1.9:

Finding: The County did not provide a copy of a risk assessment.

Reason for non-clearance of CD: The County did not provide a reason for non-clearance **Plan to correct:** Upon completion, the risk assessment will be conducted and a copy of the 2017-18 annual risk assessment for each subcontractor will be submitted.

Original expected date of completion: September 28, 2018

Updated/revised date of completion: August 2, 2019

CD 2.21:

Finding: The County did not submit all required SABG monitoring and auditing reports for FY 16-17 to DHCS within two weeks of report issuance.

Reason for non-clearance of CD: The County did not provide a reason for non-clearance **Plan to correct:** County staff will conduct monitoring and subsequent reports of all SABG programs (Perinatal, Adolescent, and both SABG funded Prevention programs) and submit the reports to: SUDCountyReports@DHCS.ca.gov

Original expected date of completion: November 30, 2018

Updated/revised date of completion: August 2, 2019

CD 7.41.b:

Finding: The County's annual updates or client discharges for beneficiaries in treatment over one year were not submitted.

Reason for non-clearance of CD: The County did not provide a reason for non-clearance **Original expected date of completion:** August 31, 2018

Updated/revised date of completion: August 2, 2019

NR 1.14:

Finding: According to the 2017-2020 State County Contract, programs are required to abide by the Minimum Quality Drug Treatment Standards, a component of the contract. Due to a delay in contract finalization, findings related to the standards will not be identified as a deficiency; however, a plan to fulfill the new requirements must be submitted. Minimum Quality Treatment Standards will need to be incorporated into the County's monitoring tool.

Reason for non-clearance of NR: The County did not provide a reason for non-clearance

Plan to correct: The County staff is reviewing the Minimum Quality Drug Treatment Standards to ensure the County programs comply.

Original expected date of completion: November 30, 2018

Updated/revised date of completion: August 2, 2019

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 2018-19 CAP.

- a) A statement of the compliance deficiency (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 CPU analyst will monitor progress of the CAP completion.

NEW REQUIREMENTS (NR)

Due to a delay in the SABG contract finalization, findings related to the standards and requirements will not be identified as a compliance deficiency; however, a plan to fulfil the new requirements must be submitted.

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 deficiencies in regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 1.4:

SABG State-County Contract, Exhibit A, Attachment I AI, Part I, Section 3, C
Sub-recipient Pre-Award Risk Assessment: Contractor shall comply with the sub-recipient pre-award risk assessment requirements contained in 2 CFR Part 200 Uniform Administration Requirements, Cost Principles and Audit Requirements for Federal Awards. Contractor, grant second-tier sub-recipient (subcontractors) annually prior to making an award. Contractor subcontractor and retain documentation for audit purposes.

Finding: The County did not conduct pre-award risk assessments in SFY 2018-19.

CD 1.5:

SABG State-County Contract Exhibit A, Attachment I AI, Part II, B
Hatch Act: Contractor agrees to comply with the provisions of the Hatch Act (Title 5 USC, Sections 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

SABG State-County Contract Exhibit A, Attachment I AI, Part II, Y
Subcontract Provisions: Contractor shall include all of the foregoing Part II general provisions in all of its subcontracts.

Finding: The County did not demonstrate County and subcontractor staff compliance with the Hatch Act.

2.0 SABG MONITORING

The following deficiencies in the SABG monitoring requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 2.10:

SABG State-County Contract Exhibit A, Attachment I A1, Part I, Section 3, A, 1 (a-e)
Contractor's performance under this Exhibit A, Attachment I, Part I, shall be monitored by DHCS during the term of this Contract. Monitoring criteria shall include, but not be limited to:

- a) Whether the quantity of work or services being performed conforms to Exhibit B.*
- b) Whether the Contractor has established and is monitoring appropriate quality standards.*
- c) Whether the Contractor is abiding by all the terms and requirements of this Contract.*
- d) Whether the Contractor is abiding by the terms of the Perinatal Services Network Practice Guidelines (Document 1G).*
- 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*

Finding: The County did not have all SABG program requirements within their monitoring tool. The following criteria are missing:

- DHCS 16/17 Perinatal Services Network
- DHCS Youth Treatment Guidelines
- Tuberculosis Services
- Charitable Choice
- Intravenous Drug User Services
- Interim Services
- CalOMS-Tx/PPSDS/DATAR
- Primary Prevention
- CLAS Standards
- Americans with Disabilities Act
- Nondiscrimination in Services and Employment
- Trafficking Victims Protection Act
- Fiscal Requirements
- Minimum Quality Drug Treatment Standards 2F(b)

CD 2.11

SABG State-County Contract Exhibit A, Attachment 1 A1, Part 1, Section 1, C, 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:*
 - a. HSC, Division 10.5, Part 2 commencing with Section 11760.*
 - b. Title 9, California Code of Regulations (CCR) (herein referred to as Title 9), Division 4, commencing with Section 9000.*
 - c. Government Code, Title 2, Division 4, Part 2, Chapter 2, Article 1.7.*
 - d. Government Code, Article 7, Federally Mandated Audits of Block Grant Funds Allocated to Local Agencies, Chapter 1, Part 1, Division 2, Title 5, commencing at Section 53130.*
 - e. Title 42 United State Code (USC), Sections 300x-21 through 300x-31, 300x-34, 300x-53, 300x-57, and 330x-64 through 66.*
 - f. Title 2, CFR 200 -The Uniform Administration Requirements, Cost Principles and Audit Requirements for Federal Awards.*
 - g. Title 45, Code of Federal Regulations (CFR), Sections 96.30 through 96.33 and Sections 96.120 through 96.137.*
 - h. Title 42, CFR, Sections 8.1 through 8.6.*
 - i. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).*
 - j. Title 21, CFR, Sections 1301.01 through 1301.93, Department of Justice, Controlled Substances.*
 - k. State Administrative Manual (SAM), Chapter 7200 (General Outline of Procedures). Contractor shall be familiar with the above laws, regulations, and guidelines and shall assure that its subcontractors are also familiar with such requirements.*

Finding: The County did not provide evidence of written policies and procedures that outline the steps taken to monitor County-run SABG Tx programs.

CD 2.15:

SABG State-County Contract Exhibit A, Attachment I A1, Part I, Section 3, A, 1 (a-e)
Contractor's performance under this Exhibit A, Attachment I, Part I, shall be monitored by DHCS during the term of this Contract. Monitoring criteria shall include, but not be limited to: a) Whether the quantity of work or services being performed conforms to Exhibit B.
b) Whether the Contractor has established and is monitoring appropriate quality standards.
c) Whether the Contractor is abiding by all the terms and requirements of this Contract.
d) Whether the Contractor is abiding by the terms of the Perinatal Services Network Practice Guidelines (Document 1G).
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*

Finding: The County did not submit 3 of 3 of their SABG monitoring reports for SFY 17-18 to DHCS within two weeks of report issuance.

6.0 CULTURAL COMPETENCE

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

COMPLIANCE DEFICIENCIES:

CD 6.28:

SABG State-County Contract, Exhibit A, Attachment I AI, Part II, J
Cultural and Linguistic Proficiency.

To ensure equal access to quality care by diverse populations, each service provider receiving funds from this Contract shall adopt the federal Office of Minority Health Culturally and Linguistically Appropriate Service (CLAS) national standards (Document 3V)

Office of Minority Health National Culturally and Linguistically Appropriate Services (CLAS)
Standards, Standard 3

Standard 3 - Recruit, promote and support a culturally and linguistically diverse governance, leadership and workforce that are responsive to the population in the service area.

Finding: The County did not demonstrate that recruiting methods used to hire and promote a culturally and linguistically diverse workforce, reflective of the County's population were utilized.

CD 6.29:

SABG State-County Contract, Exhibit A, Attachment I AI, Part II, J
Cultural and Linguistic Proficiency.

To ensure equal access to quality care by diverse populations, each service provider receiving funds from this Contract shall adopt the federal Office of Minority Health Culturally and Linguistically Appropriate Service (CLAS) national standards (Document 3V)

Office of Minority Health National Culturally and Linguistically Appropriate Services (CLAS)
Standards, Standard 15

Standard 15 - Communicate the organization's progress in implementing and sustaining CLAS to all stakeholders, constituents and the general public.

Finding: The County did not demonstrate communication efforts to inform County stakeholders and the general public of CLAS implementation.

**7.0 CALIFORNIA OUTCOMES MEASUREMENT SYSTEM TREATMENT (CalOMS Tx)
AND DRUG AND ALCOHOL TREATMENT ACCESS REPORT (DATAR)**

The following deficiencies in CalOMS and DATAR regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 7.34.b:

SABG State-County Contract, Exhibit A, Attachment I A1, Part III, B, 3, 5, 6

- (3) 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.*
- (5) Contractor shall submit CalOMS-Tx admissions, 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.*
- (6) Contractor shall comply with the CalOMsTx 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.*

SABG State-County Contract, Exhibit A, Attachment I A1, Part III, D, 6

Contractor shall comply with the treatment and prevention data quality standards established by DHCS. Failure to meet these standards on an ongoing basis may result in withholding SABG funds.

Finding: The County’s open admission report is not current.

CD 7.34.c:

SABG State-County Contract, Exhibit A, Attachment I A1, Part III, E, (1) & (3)

- (1) The Contractor shall be responsible for ensuring that the Contractor-operated treatment services and all treatment providers, with whom Contractor makes a contract or otherwise pays for these services, submit a monthly DATAR report in an electronic copy format as provided by DHCS.*
- (3) The Contractor shall ensure that all DATAR reports are submitted by either Contractor-operated treatment services and by each subcontracted treatment provider to DHCS by the 10th of the month following the report activity month.*

Finding: The County’s DATAR report is not current.

8.0 PRIVACY AND INFORMATION SECURITY

The following deficiencies in Privacy and Information Security regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 8.35:

SABG State-County Contract, Exhibit F, F-1, 3, C, 2

Contractor shall not directly or indirectly receive remuneration in exchange for Department PHI.

SABG State-County Contract, Exhibit F, F-2, 3, B, 1-2

Contractor agrees:

- 1) Nondisclosure. Not to use or disclose Department PI or PII other than as permitted or required by this Agreement or as required by applicable state and Federal law.*
- 2) Safeguards. To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality and integrity of Department PI and PII, to protect against anticipated threats or hazards to the security or integrity of Department PI and PII, and to prevent use or disclosure of Department PI or PII other than as provided for by this Agreement...*

Finding: The County did not demonstrate appropriate safeguards were in place preventing staff from receiving remuneration in exchange for PHI.

CD 8.37:

45 CFR Section 164.526

SABG State-County Contract, Exhibit F, F-1, 3, D, 10

Amendment of Department PHI. To make any amendment(s) to Department PHI that were requested by a patient and that the Department directs or agrees should be made to assure compliance with 45 CFR Section 164.526, in the time and manner designated by the Department, with the Contractor being given a minimum of twenty days within which to make the amendment.

Finding: The County does not have a process in place for addressing beneficiary PHI amendment requests in compliance with 45 CFR Section 164.526.

9.0 DRUG MEDI-CAL

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

COMPLIANCE DEFICIENCIES:

NR 9.42:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part II, C

Contractor agrees that information produced through these funds, and which pertains to drugs 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). By signing this Contract, Contractor agrees that it will enforce, and will require its subcontractors to enforce, these requirements.

Exhibit A, Attachment I A1, Part II, P

Subcontract Provisions

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

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.

NR 9.43:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 4, 5 a

Contractor shall include instructions on record retention in any subcontract with providers and mandate all providers to keep and maintain records for each service rendered, to whom it was rendered, and the date of service, pursuant to W&I Code, Section 14124.1 and 42 CFR Section 433.32, and 22 CCR Section 51341.1.

W&I Code, Section 14124.1

... Records required to be kept and maintained under this section shall be retained by the provider for a period of 10 years from the final date of the contract period between the plan and the provider, from the date of completion of any audit, or from the date the service was rendered, whichever is later, in accordance with Section 438.3(u) of Title 42 of the Code of Federal Regulations.

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

NR 9.45:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 2, A, 1, a-e

Contractor shall establish assessment and referral procedures and shall arrange, provide, or subcontract for covered services in the Contractor's service area. Covered services include:

- a) Outpatient drug-free treatment*
- b) Narcotic replacement therapy*
- c) Naltrexone treatment*

- d) *Intensive Outpatient Treatment*
- e) *Perinatal Residential Substance Abuse Services (excluding room and board)*

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

NR 9.46:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 1, 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).

§ 51341.1 (d) (5) (A-D)

Naltrexone treatment services shall only be provided to a beneficiary who meets all of the following conditions:

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

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

NR 9.47:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 4, B, 1, a

Program Integrity: Contractor is responsible for ensuring program integrity of its services and its subcontracted providers through a system of oversight, which shall include at least the following:

- a *.Compliance with state and federal law and regulations, including, but not limited to, , 42 CFR 433.51, 42 CFR 431.800 et. seq., 42 CFR 440.230, 42 CFR 440.260, 42 CFR 455 et. seq., 42 CFR 456 et. seq., 42 CFR 456.23, 22 CCR 51490, 22 CCR 51490.1, , 22 CCR 51159, WIC 14124.1, WIC 14124.2, 42 CFR 438.320, 42 CFR 438.416, 42 CFR 438.10, and 42 CFR 438.206.*

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

NR 9.48:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 3, A, 4, c

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:

Minimum Quality Treatment Standards, Document 2F(a)

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

NR 9.58:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 4, B, 1, e
Contractor shall certify the DMC claims submitted to DHCS represent expenditures eligible for FFP and attest that the submitted claims have been subject to review and verification process for accuracy and legitimacy (42 CFR 430.30, 433.32, and 433.51). Contractor shall not knowingly submit claims for services rendered to any beneficiary after the beneficiary's date of death, or from uncertified or decertified providers.

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

NR 9.59:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 4, B, 3, b
During the monthly status check, the Contractor shall monitor for a triggering recertification event (change in ownership, change in scope of services, remodeling of facility, or change in location) and report any triggering events to DHCS' Statewide Planning Unit, Master Provider File Team at DHCSMPF@dhcs.ca.gov within two business days of notification or discovery.

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.

NR 9.60:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 1, 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(h)(7)

Drug Medi-Cal Substance Use Disorder Services.

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.

§ 50090.

Share of Cost.

Share of cost means a person's or family's net income in excess of their maintenance need that must be paid or obligated toward the cost of health care services before the person or family may be certified and receive Medi-Cal cards.

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

NR 9.61:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 2, B, 2

Covered services, whether provided directly by the Contractor or through subcontractors with DMC certified and enrolled programs, shall be provided to beneficiaries without regard to the beneficiaries' county of residence.

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

NR 9.64:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 2, B, 1, b

Contractor shall authorize residential services in accordance with the medical necessity criteria specified in Title 22, Section 51303 and the coverage provisions of the approved state Medi-Cal Plan. Room and board are not reimbursable DMC services. If services are denied, the provider shall inform the beneficiary in accordance with Title 22, Section 51341.1 (p).

Title 22, Section 51303

(a) "Health care services...which are reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain through the diagnosis or treatment of disease, illness or injury are covered by the Medi-Cal program... Authorization may only be granted when fully documented medical justification is provided that the services are medically necessary. Services not requiring prior authorization are subject to other utilization controls, as specified in this chapter."

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

10.0 TECHNICAL ASSISTANCE

The County did not request technical assistance during SFY 18/19.