



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

May 5, 2017

Sent via e-mail to: jlawless@co.calaveras.ca.us

John Lawless, Deputy Director
Calaveras County Behavioral Health
891 Mountain Ranch Road
San Andreas, CA 95249

SUBJECT: State Fiscal Year (SFY) 2016-17 - County Monitoring Unit Report

Dear Deputy Director John Lawless:

Enclosed are the results of Calaveras County's 2016-17 Substance Abuse Prevention and Treatment (SAPT) Block Grant (BG)¹, and the State County Contract compliance review. The Department of Health Care Services (DHCS) is responsible for monitoring requirements of the SAPT BG and the terms of the State County Contract operated by Calaveras County.

The County Monitoring Unit (CMU) within the Performance Management Branch (PMB) of DHCS performed a comprehensive review based on responses to the monitoring instrument, discussion with county staff, supporting documentation and requirements. The enclosed report addresses and/or identifies compliance deficiencies, required corrective actions, advisory recommendations, and referral for technical assistance.

Calaveras County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CMU Analyst by June 2, 2017. The CAP must follow the guidelines detailed within the attached report. Please reference the enclosed CAP instructions and e-mail the CAP to the CMU Analyst. Supporting CAP documentation may be e-mailed or mailed to the address listed below. If you have any questions regarding this report or need assistance, please contact the CMU analyst.

Sincerely,

Angela Duhart
CMU Analyst
(916) 327-2661
Angela.Duhart@dhcs.ca.gov

¹ Title 45 Code of Federal Regulations, Part 96, Subpart L – Substance Abuse Prevention and Treatment Block Grant requirements



County Monitoring Unit Report
Calaveras County

Distribution:

To: Deputy Director: John Lawless

CC: Victoria King-Watson, Substance Use Disorder Program, Policy and Fiscal Division, Assistant Division Chief
Tracie Walker, Performance Management Branch, Section Chief
Patrick Daglia, Fiscal Management and Accountability Branch, Section Chief
Denise Galvez, Policy and Prevention Branch, Section Chief
Sandy Yien, Program Support and Grants Management Branch, Section Chief
Susan Jones, County Monitoring Unit, Supervisor
Cynthia Hudgins, Drug Medi-Cal Monitoring Unit I, Supervisor
Stephanie Quok, Drug Medi-Cal Monitoring Unit II, Supervisor
Danielle Stumpf, Office of Women, Perinatal and Youth Services, Supervisor
Tiffany Stover, Postservice Postpayment Unit I, Supervisor
Janet Rudnick, Postservice Postpayment Unit II, Supervisor
Trudi Romero, Policy and Prevention Branch, Office Technician
Kristin Brinks, Executive Director
David Sackman, Deputy Director

Date: May 5, 2017

Report Prepared by: *Angela Duhart, County Monitoring Analyst*
Manager Approval: *Susan Jones, County Monitoring Supervisor*

Lead CMU Analyst:
Angela Duhart

Review Date: March 2017

Assisting CMU Analyst(s):
N/A

Review Period: SFY 2016-17

County: Calaveras

County Address:
891 Mountain Ranch Road
San Andreas, CA 95249

The Department of Health Care Services (DHCS) is required to provide programmatic, administrative, and fiscal oversight of the statewide Substance Abuse Prevention and Treatment Block Grant (SAPT BG), the State County Contract, and Drug Medi-Cal (DMC) Substance Use Disorder (SUD) services through annual compliance reviews.

This report summarizes the findings of the compliance review conducted by the County Monitoring Unit (CMU).

CORRECTIVE ACTION PLAN

Pursuant to the State County Contract, Exhibit A, Attachment I, Part V, Section 4, 7, (a-b) each deficiency 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.

The Corrective Action Plan shall:

1. Address each programmatic deficiency;
2. Provide a specific description of how the deficiency will be corrected;
3. Identify the staff person responsible for correcting the deficiency and ensuring future compliance;
4. Specify the target date for complete implementation of each deficiency; and
5. As deficiencies are corrected, include training documentation, revised policies/procedures, and other materials which demonstrate the correction of a deficiency, if applicable.

The CMU analyst will monitor progress of CAP implementation until complete.

REVIEW SCOPE

- I. Regulations:
 - a. 22 CCR § 51341.1 – Drug Medi-Cal Substance Use Disorder Services
 - b. 9 CCR, Division 4, Chapter 4, Subchapter 1 – 6: Narcotic Treatment Programs
 - c. 45 CFR; Part 96; Subpart L; §96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
 - d. 42 USC, Section 300x-21 through 300x-66: Substance Abuse Prevention and Treatment Block
 - e. HSC, Division 10.5, Section 11750 – 11970: State Department of Health Care

- II. Program Requirements:
 - a. State Fiscal Year (SFY) 14/15 - 16/17 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 FY 2016-17*
 - d. National Culturally and Linguistically Appropriate Services (CLAS)
 - e. Alcohol and Drug Program (ADP) Bulletins
 - f. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices

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 1.3:

State County Contract, Exhibit A, Attachment I, Part I, D

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, X

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

Finding: The County does not have the provision D within subcontracted provider contracts.

CD 1.5:

State County Contract, Exhibit A, Attachment I, Part I, G

No Substance Abuse Prevention and Treatment (SAPT) Block Grant funds made available through this Contract shall be used to carry out any program that includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug unless the State chooses to implement a demonstration syringe services program for injecting drug users.

Exhibit A, Attachment I, Part I, X

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

Finding: The County does not include the provision G within subcontracted provider contracts.

CD 1.7:

State County Contract, Exhibit A, Attachment I, Part I, J

Any counselor or registrant providing intake, assessment of need for services, treatment or recovery planning, individual or group counseling to participants, patients, or residents in a DHCS licensed or certified program is required to be certified as defined in Title 9, CCR, Division 4, Chapter 8. (Document 3H).

Exhibit A, Attachment I, Part I, X

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

Finding: The County does not include provisions within subcontracted provider contracts.

2.0 SAPT BG MONITORING

The following deficiencies in the SAPT BG monitoring requirements were identified:

CD 2.18

State County Contract Exhibit A, Attachment I, Part IV, Section 3, A, 1, (a-e)

Contractor's performance under this Exhibit A, Attachment I A2, Part IV, shall be monitored by the State 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 A2;

(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 Guidelines (Document 1G); and

(e) 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; or

Substance Use Disorder - Prevention, Treatment and Recovery Services 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 the SAPT BG program requirements within their monitoring tool. The following criteria are missing:

- Charitable Choice
- Primary Prevention
- Nondiscrimination in Services and Employment (Must be written in a Policy & Procedure)
- Trafficking Victims Protection Act of 2000
- Fiscal Requirements

CD 2.20:

State County Contract Exhibit A, Attachment I A2, Part IV, Section 3, A, 1, (e)

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; or

Substance Use Disorder - Prevention, Treatment and Recovery Services Division, Performance Management Branch, Department of Health Care Services PO Box 997413, MS-2627

Sacramento, CA 95899-7413

Finding: The County did not monitor all County and subcontracted providers for required SAPT BG program requirements.

CD 2.21:

State County Contract Exhibit A, Attachment I A2, Part IV, Section 3, A, 1, (e)
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; or

*Substance Use Disorder - Prevention, Treatment and Recovery Services
Division, Performance Management Branch, Department of Health Care Services
PO Box 997413, MS-2627
Sacramento, CA 95899-7413*

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.

3.0 DRUG MEDI-CAL

After review of the program's protocols, policies and procedures, no deficiencies were cited.

4.0 PERINATAL

After review of the program's protocols, policies and procedures, no deficiencies were cited.

5.0 ADOLESCENT/YOUTH TREATMENT (AYT)

The following deficiencies in Adolescent/Youth Treatment regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 5.40.a:

Information Notice 16-022, Exhibit C (1 of 2)

Exchanging Perinatal and Adolescent/Youth treatment funds for Discretionary funds allows the least populous counties to best respond to treatment needs and reduces the return of unspent SAPT funds to the Federal Government. Counties receiving additional Discretionary funds are expected to utilize these funds to treat substance use disorder clients.

California Health Safety Code 11759

All counties, including exchange counties, are required to provide treatment services to adolescent/youth clients and/or make a referral to such program.

Finding: The County does not provide referrals for AYT services not available within the County.

CD 5.42

State County Contract, Exhibit A, Attachment I, Part I, Q, Document 1V –Youth Treatment Guidelines

Youth Treatment Guidelines 2002, Section V. Service Components, C Initial and Continuing Assessment (1-7)

Assessment is not a single event upon the youth's admission to the program, but an ongoing process to gain insight into the youth's unique abilities, strengths, and needs. Assessment should be comprehensive, multi-faceted, and culturally as well as developmentally, appropriate.

Finding: The County did not provide a copy of the assessment tool and did not provide a copy of the tool used for health screenings.

6.0 FISCAL AUDITING

After review of the program's protocols, policies and procedures, no deficiencies were cited.

7.0 PRIMARY PREVENTION

The following advisory recommendation in Primary Prevention regulations, standards, or protocol requirements was identified:

AR 7.51.b:

State County Contract, Exhibit A, Attachment I, Part IV, Section 1, B, 4, (d)

(d) Meet the Member in Good Standing (MIGS) requirements, determined by DHCS in conjunction with the California Friday Night Live Partnership. If the Contractor does not meet the MIGS requirements, then the Contractor shall submit a technical assistance plan detailing how the Contractor intends to ensure satisfaction of the MIGS requirements to DHCS for approval.

Recommendation: The County has until June 30, 2017, end of fiscal year, to be a Member in Good Standing (MIGS).

8.0 CULTURAL COMPETENCE

After review of the program's protocols, policies and procedures, no deficiencies were cited.

9.0 ELECTRONIC HEALTH RECORDS (EHR)

After review of the program's protocols, policies and procedures, no deficiencies were cited.

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

After review of the program's protocols, policies and procedures, no deficiencies were cited.

11.0 PRIVACY AND INFORMATION SECURITY

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

CD 11.71:

State County Contract, Exhibit G-3, Attachment A, 4, A

Emergency Mode Operation Plan. Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of Department PHI or PI held in an electronic format in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than 24 hours.

Finding: The County did not provide a copy of the Emergency Mode Operation Plan or similar document.

CD 11.72:

State County Contract, Exhibit G-3, Attachment A, 4, B

Data Backup Plan. Contractor must have established documented procedures to backup Department PHI to maintain retrievable exact copies of Department PHI or PI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore Department PHI or PI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of Department data.

Finding: The County did not provide written procedures of a data backup plan that include some or all of the following:

- A regular schedule for making backups
- Storing backups offsite
- An inventory of backup media
- An estimate of the amount of time needed to restore Department PHI or PI should it be lost

CD 11.76.a:

State County Contract, Exhibit G-2, 3, B, 2-3

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. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.

3) **Security.** Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:

- a. *Complying with all of the data system security precautions listed in Attachment A, Business Associate Data Security Requirements;*
- b. *Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and*
- c. *If the data obtained by Contractor from DHCS includes PII, Contractor shall also comply with the substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between the SSA and DHCS, known as the Information Exchange Agreement, which are attached as Attachment I and incorporated into this Agreement. The specific sections of the IEA with substantive privacy and security requirements to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the SSA. Contractor also agrees to ensure that any agents, including a subcontractor to whom it provides DHCS PII, agree to the same requirements for privacy and security safeguards for confidential data that apply to Contractor with respect to such information.*

Finding: The County does not have written policies and procedures implemented, that addresses information privacy and security for PI.

CD 11.76.b:

State County Contract, Exhibit G-2, 3, B, 2-3

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. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.*

3) **Security.** *Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:*

- a. *Complying with all of the data system security precautions listed in Attachment A, Business Associate Data Security Requirements;*
- b. *Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and*
- c. *If the data obtained by Contractor from DHCS includes PII, Contractor shall also comply with the substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between the SSA and DHCS,*

known as the Information Exchange Agreement, which are attached as Attachment I and incorporated into this Agreement. The specific sections of the IEA with substantive privacy and security requirements to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the SSA. Contractor also agrees to ensure that any agents, including a subcontractor to whom it provides DHCS PII, agree to the same requirements for privacy and security safeguards for confidential data that apply to Contractor with respect to such information.

Finding: The County's information privacy and security, policy and procedure does not include a section regarding security for PI.

CD 11.78:

State County Contract, Exhibit G-1,13 (a-c)

Exhibit G-2, 9 (a-c)

Breaches and Security Incidents. During the term of this Agreement, Contractor agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:

- a. **Initial Notice to the Department.** (1) To notify the Department immediately by telephone call or email or fax upon the discovery of a breach of unsecured PHI in electronic media or in any other media if the PHI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person. (2) To notify the Department within 24 hours (one hour if SSA data) by email or fax of the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI in violation of this Agreement or this ExhibitG-1, or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Contractor as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Contractor. Notice shall be provided to the Information Protection Unit, Office of HIPAA Compliance. If the incident occurs after business hours or on a weekend or holiday and involves electronic PHI, notice shall be provided by calling the Information Protection Unit (916.445.4646, 866-866-0602) or by emailing (privacyofficer@dhcs.ca.gov). Notice shall be made using the DHCS "Privacy Incident Report" form, including all information known at the time. Contractor shall use the most current version of this form, which is posted on the DHCS information Security Officer website (www.dhca.ca.gov, then select "Privacy" in the left column and then "Business Partner" near the middle of the page) or use this link [Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of Department PHI, Contractor shall take:](#)
 - i) Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
 - ii) Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- a. **Investigation and Investigation Report.** To immediately investigate such suspected security incident, security incident, breach, or unauthorized access, use or disclosure of PHI. Within 72 hours of the discovery, Contractor shall submit an updated "Privacy Incident Report" containing the information marked with an asterisk and all other applicable

information listed on the form, to the extent known at that time, to the Information Protection Unit.

- b. **Complete Report.** *To provide a complete report of the investigation to the Department Program Contract Manager and the Information Protection Unit within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall be submitted on the "Privacy Incident Report" form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred under applicable provisions of HIPAA, the HITECH Act, and the HIPAA regulations. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If the Department requests information in addition to that listed on the "Privacy Incident Report" form, Contractor shall make reasonable efforts to provide the Department with such information. If, because of the circumstances of the incident, Contractor needs more than ten (10) working days from the discovery to submit a complete report, the Department may grant a reasonable extension of time, in which case Contractor shall submit periodic updates until the complete report is submitted. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated "Privacy Incident Report" form. The Department will review and approve the determination of whether a breach occurred and whether individual notifications and a corrective action plan are required.*

Finding: The County did not demonstrate a process in place for reporting breached or security incidents that include:

- Notifying DHCS immediately by telephone, e-mail, or fax
- Utilizing "Privacy Security Incident Report" form
- Submitting "Privacy Incident Report" form within 72 hours
- Providing a complete report within 10 working days of breach or disclosure

12.0 TECHNICAL ASSISTANCE

County did not request any Technical Assistance for fiscal year 2016-17: