



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

December 28, 2016

Sent via e-mail to: pgrosso@co.lassen.ca.us

Pamela Grosso, Director of Behavioral Health
Lassen County Behavioral Health and Social Services
555 Hospital Lane
Susanville, CA 96130

SUBJECT: 2016-17 State County Contract Compliance Review – Final Report

Dear Director Grosso:

Enclosed are the results of Lassen 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 Lassen 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.

Lassen County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CMU Analyst by January 30, 2017. The CAP must follow the guidelines detailed within the attached report. Please reference the enclosed CAP instructions and email the CAP to the CMU Analyst. Supporting CAP documentation may be emailed or mailed to the address listed below. If you have any questions regarding this report or need assistance, please contact the CMU analyst.

Sincerely,

Becky Counter
CMU Analyst
(916) 327-2656
Becky.Counter@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
Lassen County

Distribution:

To: Pamela Grosso, Director of Behavioral Health

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
Melody Brawley, Health and Social Services Director

Date: 12/28/16

Report Prepared by: *Becky Counter, County Monitoring Analyst*
Manager Approval: *Susan Jones, County Monitoring Supervisor*

Lead CMU Analyst: Becky Counter	Review Date: November 16-18 2016
Assisting CMU Analyst(s): Eric Painter	Review Period: FY 2016-17
County: Lassen	
County Address: 555 Hospital Lane Susanville, CA 96130	

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). 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, supplied supporting documentation and regulatory requirements. The enclosed report addresses and/or identifies compliance deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

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.

COMPLIANCE DEFICIENCIES:

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

2.0 SAPT BG MONITORING

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

COMPLIANCE DEFICIENCIES:

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 provide a copy and/or did not have all the SAPT BG program requirements within the tool. The following criteria is missing:

- DHCS 16/17 Perinatal Services Network Guidelines
- DHCS Youth Treatment Guidelines
- Tuberculosis Services
- Charitable Choice
- Intravenous Drug User Services
- Interim Services
- California Outcomes Measurement System (CalOMS) Treatment (Tx)
- CalOMS Prevention (Pv)
- Drug and Alcohol Treatment Access Report (DATAR)
- Primary Prevention
- Cultural Competence
- National Culturally and Linguistically Appropriate Services (CLAS) Standards
- Americans with Disabilities Act
- Nondiscrimination in Services and Employment

- 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 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 for SFY 15/16 to DHCS within two weeks of report issuance.

CD 2.23:

State County Contract, Exhibit A, Attachment I A2, Section 3, B, 2, (a – c)
Contractor shall provide services to all eligible persons in accordance with federal and state statutes and regulations. Contractor shall assure that in planning for the provision of services, the following barriers to services are considered and addressed:

(a) Lack of educational materials or other resources for the provision of services;

(b) Geographic isolation and transportation needs of persons seeking services or remoteness of services;

(a) Institutional, cultural, and/or ethnicity barriers; ...

Finding: The County did not identify how the following barriers to services are considered and addressed:

- *Lack of educational materials or other resources for the provision of services;*

- *Geographic isolation and transportation needs of persons seeking services or remoteness of services;*
- *Institutional, cultural, and/or ethnicity barriers.*

3.0 DRUG MEDICAL

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

COMPLIANCE DEFICIENCIES:

CD 3.25.a:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B,1 (b)

Contractor shall conduct, at least annually, a utilization review of DMC providers to assure covered services are being appropriately rendered. The annual review must include an on-site visit of the service provider. Reports of the annual review shall be provided to the Department's Performance Management Branch at:

Substance Use Disorder - Prevention, Treatment and Recovery Services Division, Performance Management Branch

Department of Health Care Services

PO Box 997413, MS-2621

Sacramento, CA 95899-7413;

Or by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov

Review reports shall be provided to the State within 2 weeks of completion by the Contractor.

Finding: The County did not provide a copy of a DMC monitoring tool.

CD 3.25.b:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B,1 (b)

Contractor shall conduct, at least annually, a utilization review of DMC providers to assure covered services are being appropriately rendered. The annual review must include an on-site visit of the service provider. Reports of the annual review shall be provided to the Department's Performance Management Branch at:

Substance Use Disorder - Prevention, Treatment and Recovery Services Division, Performance Management Branch

Department of Health Care Services

PO Box 997413, MS-2621

Sacramento, CA 95899-7413;

Or by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov

Review reports shall be provided to the State within 2 weeks of completion by the Contractor.

Finding: The County did not provide one (1) completed DMC monitoring tool for FY 2015-16 based on the size of the county. County sizes are indicated below:

- i) MBA and Small counties – One (1) completed DMC review
- ii) Medium counties – Two (2) completed DMC reviews
- iii) Large counties – Three (3) Completed DMC reviews

CD 3.25.c:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B,1 (b)

Contractor shall conduct, at least annually, a utilization review of DMC providers to assure covered services are being appropriately rendered. The annual review must include an on-site visit of the service provider. Reports of the annual review shall be provided to the Department's Performance Management Branch at:

Substance Use Disorder - Prevention, Treatment and Recovery Services Division, Performance Management Branch

Department of Health Care Services

PO Box 997413, MS-2621

Sacramento, CA 95899-7413;

Or by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov

Review reports shall be provided to the State within 2 weeks of completion by the Contractor.

Finding: The County did not provide monitoring reports, CAPs, and provider CAP implementation status in response to question number 25(b.) of the FY 2016-17 monitoring instrument.

CD 3.25.d:

State County Contract Exhibit A, Attachment I, Part V, Section 4, B,1 (b)

Contractor shall conduct, at least annually, a utilization review of DMC providers to assure covered services are being appropriately rendered. The annual review must include an on-site visit of the service provider. Reports of the annual review shall be provided to the Department's Performance Management Branch at:

Substance Use Disorder - Prevention, Treatment and Recovery Services Division, Performance Management Branch

Department of Health Care Services

PO Box 997413, MS-2621

Sacramento, CA 95899-7413;

Or by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov

Review reports shall be provided to the State within 2 weeks of completion by the Contractor.

Finding: The County did not submit DMC monitoring reports securely to DHCS within two weeks of report issuance.

CD 3.30:

State County Contract Exhibit A, Attachment I, Part V, Section 4 B-4(a)

(a) All complaints received by Contractor regarding a DMC certified facility shall be forwarded to:

Drug Medi-Cal Complaints are to be submitted to:

Department of Health Care Services

P.O. Box 997413

Sacramento, CA 95899-7413

Call the Hotline

Phone Toll-Free: (800) 822-6222

Finding: The County did not provide the process for investigating complaints regarding a DMC certified facility.

4.0 PERINATAL

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

COMPLIANCE DEFICIENCIES:

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:

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

6.0 FISCAL AUDITING

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

COMPLIANCE DEFICIENCIES:

CD 6.48:

State County Contract, Exhibit B, A3, Part 3, Section 3, F

Providers of DMC services shall, upon request, make available to the State their fiscal and other records to assure that such provider have adequate recordkeeping capability and to assure that reimbursement for covered DMC services are made in accordance with Title 22, CCR, Section 51516.1. These records include, but are not limited to, matters pertaining to:

- 1) Provider ownership, organization, and operation;*
- 2) Fiscal, medical, and other recordkeeping systems;*
- 3) Federal income tax status;*
- 4) Asset acquisition, lease, sale, or other action;*
- 5) Franchise or management arrangements;*
- 6) Patient service charge schedules;*
- 7) Costs of operation;*
- 8) Cost allocation methodology;*
- 9) Amounts of income received by source and purpose; and,*
- 10) Flow of funds and working capital.*

Finding: The documentation the County provided does not adequately demonstrate DMC services are reimbursed. Lassen County will need to provide a copy of their Federal Income Tax Status.

7.0 PRIMARY PREVENTION

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

COMPLIANCE DEFICIENCIES:

CD 7.50:

State County Contract: Exhibit A, Attachment I, Part III, E, 1

CalOMS Prevention Data Quality Standards (Document -1T of the State County Contract)

All counties and subcontracted providers funded with Substance Abuse Prevention and Treatment Block Grant (SAPT BG) dollars for primary prevention services are required to report data that meet the terms of the State County County Contract. "The State/County Contract states that the "contractor shall comply with the prevention data quality standards established by the State...."

The CalOMS Pv data quality standards require that: 1. Quality data is timely; 2. Quality data is logical; 3. Quality data is accurate; 4. Quality data is complete; and, 5. Quality data is valid.

Finding: The County does not report quality data in a timely manner according to the CalOMS Prevention Data Quality Standards.

ADVISORY RECOMMENATIONS:

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: Lassen County has been instructed to contact California Friday Night Live Partnership by DHCS Prevention staff, Mary Asoo, to ensure they meet the MIGS requirements.

8.0 CULTURAL COMPETENCE

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

COMPLIANCE DEFICIENCIES:

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

9.0 ELECTRONIC HEALTH RECORDS (EHR)

The following deficiencies in Electronic Health Records regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

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)

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

COMPLIANCE DEFICIENCIES:

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:

COMPLIANCE DEFICIENCIES:

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 11.76:

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 meet all the requirements to protect Department PI.

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 11.76.c:

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 did not provide a copy of the requested policies and procedures which address 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.*
- b. **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.*
- c. **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:

1. Notifying DHCS immediately by telephone, e-mail, or fax
2. Notifying DHCS within 24 hours of a suspected security incident
3. Utilizing “Privacy Security Incident Report” form
4. Submitting “Privacy Incident Report” form within 72 hours
5. Providing a complete report within 10 working days of breach or disclosure

12.0 TECHNICAL ASSISTANCE

DHCS's County Monitoring Analyst submitted referrals on 11/22/16 for the training and/or technical assistance identified below.

Primary Prevention (PV): The County requested TA for Building Prevention Program Capacity; Core Competencies for Pv Professionals; Evidence-based Practices; Motivational Interviewing for Community Involvement; and Call to Action. DHCS's County Prevention Analyst has been contacted and a referral has been made.

Perinatal Services: The County requested TA for Perinatal Services. DHCS's Perinatal Services Analyst has been contacted and a referral has been made.

Drug Medi-Cal (DMC): The County requested TA for DMC. DHCS's Drug Medi-Cal Unit and/or the California Institute for Behavioral Health Solutions have been contacted and a referral has been made.

Adolescent Youth Treatment (AYT): The County requested TA for AYT Services. DHCS's AYT Services Analyst has been contacted and a referral has been made.

Co-occurring Disorders (COD): The County requested TA for COD. DHCS's COD Analyst has been contacted and a referral has been made.

CalOMS and DATAR: The County requested TA for CalOMS and/or DATAR. DHCS's Analyst has been contacted and a referral has been made.