



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

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TO: Mental Health and Substance Use Disorder Services Employees

FROM: Toby Douglas
Director

You have likely read or viewed recent news accounts that highlight troubling instances of fraud within Drug Medi-Cal. As many of you are relatively new members of our Department of Health Care Services (DHCS) team, I want to repeat what I've said to our DHCS family for years – any amount of fraud in the Medi-Cal program is unacceptable. That certainly holds true now.

Prior to the airing and publication of these stories, DHCS received numerous requests from reporters and others about possible fraud in Drug Medi-Cal. We evaluated these requests and, based on our findings, quickly launched a full-scale investigation in July. That ongoing effort has led to temporary suspensions and potential criminal charges against numerous providers suspected of wrongdoing. We will continue to take all steps necessary to eliminate fraud from this program.

Unfortunately, there is another serious problem that must be addressed. We have heard from some of you that not all complaints of fraud in Drug Medi-Cal were acted upon when they were reported to the state. Today, I am personally reinforcing to each of you the importance of our longstanding practice – to pursue all reports of fraudulent activity fully and aggressively. I assure you that leadership at DHCS will not ignore reports of fraud, and I encourage you to voice your concerns at any time. No complaint will be dismissed until, and after, an appropriate evaluation has been completed. This is my promise to you, and our responsibility as administrators of this critical program for the people of California.

I urge you again to report fraud against our programs by using the DHCS Medi-Cal Fraud Hotline at 800-822-6222, emailing information to stopmedicalfraud@dhcs.ca.gov, or completing an online form at <https://apps.dhcs.ca.gov/AutoForm2/default.aspx?af=1828>