



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



GAVIN NEWSOM
GOVERNOR

DATE: September 14, 2021

Behavioral Health Information Notice No: 21-056

TO: California Alliance of Child and Family Services
California Association for Alcohol/Drug Educators
California Association of Alcohol & Drug Program Executives, Inc.
California Association of DUI Treatment Programs
California Association of Social Rehabilitation Agencies
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
California Hospital Association
California Opioid Maintenance Providers
California State Association of Counties
Coalition of Alcohol and Drug Associations
County Behavioral Health Directors
County Behavioral Health Directors Association of California
County Drug & Alcohol Administrators

SUBJECT: Ongoing Compliance Monitoring Activities

PURPOSE: Inform county behavioral health programs of changes to compliance monitoring activities beginning fiscal year (FY) 2021/22.

REFERENCE: 42 C.F.R. § 438.608
Title 22 California Code of Regulations Chapter 3, Section 51341.1(e)
Title 9 California Code of Regulation, Chapter 11, Section 1810.380 (a)
Special Terms and Conditions of the 1915(b) Waiver (Section B) Special
Terms and Conditions of the 1115 Waiver (Section 52)
DHCS Mental Health Plan (MHP) Contract (Exhibit E, Section C)
DHCS Drug Medi-Cal-Organized Delivery System (DMC-ODS)
Interagency Agreement (IA) (Exhibit A, Attachment I, Sections C, H.2, AA,
EE, KK, OO)
DHCS Drug Medi-Cal (DMC) State-Plan Contract (Exhibit A, Attachment I,
Section 4.B.6.)
Welfare and Institutions Code Section 14197.7

BACKGROUND:

Currently, triennial compliance reviews of Specialty Mental Health Services (SMHS) and annual reviews of the county DMC/DMC-ODS programs are conducted by the DHCS Audits and Investigations (A&I) Division, and will continue to be completed by A&I. However, starting FY 21/22, the Medi-Cal Behavioral Health Division (MCBHD) County/Provider Operations and Monitoring Branch (CPOMB) will conduct certain compliance monitoring activities currently under DHCS A&I's responsibility as specified in this IN. CPOMB's compliance monitoring activities will be referred to as Ongoing Compliance Monitoring (OCM).

POLICY:

The goal of the change is to eliminate compliance monitoring redundancy and create a more interactive and streamlined process between counties and DHCS, which will benefit beneficiaries and county behavioral health programs as follows:

- Improve the beneficiary experience by providing more frequent feedback to the counties;
- Ensure informing materials distributed to beneficiaries (e.g., beneficiary handbook, provider directory) are reviewed on a more frequent/ongoing basis;
- Identify processes and/or documents that need to be updated; and
- Provide timely training and technical assistance (TA) support to help counties establish and maintain compliance.

KEY CHANGES

Beginning FY 21/22, CPOMB County Liaisons will lead OCM activities, which consist of a document review of the following requirements:

- Advance Directives (SMHS)¹
- Beneficiary Handbook (SMHS, DMC-ODS)²
- Implementation Plan (SMHS)³
- Language and Format Requirements (SMHS, DMC-ODS)⁴
- Memorandum of Understanding (MOU) with Managed Care Plan (MCP) (SMHS, DMC-ODS)⁵

¹ 42 C.F.R. §§ 438.3 and 489.100; Cal. Code Regs., tit. 9 § 1810.360 (g); MHP Contract 2017-2022, Ex. A, Att.11.

² 42 C.F.R. § 438.10; Cal. Code Regs., tit. 9 §§ 1810.360 and 1810.405; MHP Contract 2017-2022, Ex. A, Att.11; DMC-ODS IA, Exhibit A, Att. 1, Article II.B.2.xx.

³ Cal. Code Regs., tit. 9 §§ 1810.310 and 1850.205-1850.208; MHP Contract 2017-2022, Ex. A, Att. 1 and Ex. E.

⁴ 42 C.F.R. § 438.10; Cal. Code Regs., tit. 9 § 1810.410; MHP Contract 2017-2022, Ex. A, Att. 11; DMC-ODS IA, Exhibit A, Att. 1, Article II.B.2.vi.

⁵ Cal. Code Regs., tit. 9 § 1810.370; MHP Contract 2017-2022, Ex. A, Att. 10; DMC-ODS IA, Exhibit A, Att. 1, Article III.G.3; DMC-ODS IA, Exhibit A, Att. 1, Article V.E.

- Provider Directory (SMHS, DMC-ODS)⁶
- Provider Selection and Monitoring (SMHS, DMC-ODS)⁷
- DMC County Monitoring Report (DMC-ODS, DMC-State Plan)⁸

Document Submission

Effective 60 calendar days from the date of publication of this Behavioral Health Information Notice (BHIN), county behavioral health programs must submit the following documents via MOVEit. Thereafter, county behavioral health programs must submit the following documents annually by November 1st via MOVEit. CPOMB Liaisons will confirm receipt of the documents within 15 business days of submission, and will follow-up with county behavioral health programs if documents are missing and/or need to be resubmitted.

- Specialty Mental Health Services
 - MHP Attestation
 - Beneficiary Informing Material Samples
 - Beneficiary Handbook
 - MOU with MCP SMHS
 - Implementation Plan
 - Written P&P – Beneficiary Information Requirements
 - Written P&P – Selection and Retention of Providers
 - Written P&P – Credentialing
 - Written P&P – Advanced Directives
 - Evidence MHP educates staff regarding Advanced Directives
 - Sample Advanced Directive decision is captured via the medical record (1 sample only)
 - Written Information for beneficiaries regarding Advanced Directives
- Drug Medi-Cal-Organized Delivery System
 - Beneficiary Informing Material Samples
 - Beneficiary Handbook
 - MOU with MCP DMC-ODS
 - Written P&P – Beneficiary Information Requirements
 - Written P&P – Selection and Retention of Providers
 - Written P&P – Credentialing
 - Written P&P – Provider Monitoring

⁶ 42 C.F.R. § 438.10; Cal. Code Regs., tit. 9 § 1810.360; MHP Contract 2017-2022, Ex. A, Att. 11; DMC-ODS IA, Exhibit A, Att. 1, Article II.B.2.xxi.

⁷ 42 C.F.R. § 438.214; Cal. Code Regs., tit. 9 § 1810.435; MHP Contract 2017-2022, Ex. A, Att. 8; DMC-ODS IA, Exhibit A, Att. 1, Article III.E.5; DMC-ODS IA, Exhibit A, Att. 1 Article III.OO.

⁸ DMC-ODS IA, Exhibit A, Att. 1, Article EE; DMC Contract 2020-2023, Exhibit A, Att. 1, Part 1, Section 4.B

- Drug Medi-Cal-State Plan
 - Written P&P – Provider Monitoring

To reduce redundancy in document submission, CPOMB will use supporting documents counties submit for Network Adequacy Oversight (NAO) reviews. This process will eliminate the need for counties to resubmit documents that meet various requirements across DHCS. Below is a list of supporting documents CPOMB will review based on county submissions for NAO reviews:

- Language/Translation Policy
- Language/Translation Service Contract
- Provider Directory (both in English and the county's threshold language(s))

Counties should continue to submit documents for the NAO review as described via [BHIN 21-023](#).

Ongoing Compliance Monitoring Schedule

Each quarter of the FY, a portion of the submitted documents will be reviewed for the purposes of completing ongoing monitoring activities (see below for a schedule of the ongoing compliance monitoring activities). During the review process, counties will be contacted by their CPOMB Liaison to discuss any requirements that need corrections and/or additional documentation, as well as receive TA. Counties may contact their Liaison and request TA via an ongoing basis. Counties may submit corrections 30 business days from the time the Liaison requested corrections to avoid the need for a Corrective Action Plan (CAP).

Schedule of Ongoing Compliance Monitoring Activities

Quarter 1 (July – September)

- DMC Provider Monitoring Report from previous FY (DMC-ODS, DMC-State Plan)
NOTE: The county DMC programs shall continue to submit DMC Provider reports as required in the contract or Intergovernmental Agreement. The DMC Provider Monitoring Report will be monitored via an ongoing basis and the compliance status will be compiled at the beginning of each new FY (for the FY that just concluded). This will give counties the opportunity to complete the DMC provider monitoring activities and submit the report to DHCS as required.

Quarter 2 (October – December)

- Advanced Directive (SMHS)
- Provider Directory (SMHS, DMC-ODS)
- Language and Formatting (SMHS, DMC-ODS)

Quarter 3 (January – March)

- Implementation Plan (SMHS)

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- Provider Selection and Monitoring (SMHS, DMC-ODS)
- MOU with Managed Care Plan(s) (SMHS, DMC-ODS)

Quarter 4 (April – June)

- Attestation (SMHS)
- Beneficiary Handbook (SMHS, DMC-ODS)

Corrective Action Plans (CAPs)⁹

After the review, DHCS will notify the county of compliance concerns. A CAP is required for all compliance concerns unaddressed. Counties are required to submit a CAP to DHCS within 60 days of receipt of the notice for all items found to be out of compliance. The CAP must include the following information:

- Description of corrective actions, including a timeline for implementation and/or completion of corrective actions;
- Proposed (or actual) evidence of correction that will be submitted to DHCS;
- Processes for monitoring the effectiveness of corrective actions over time; and
- Descriptions of corrective actions required of the county's contracted providers to address findings.

CPOMB Liaisons will confirm receipt of the CAP within 15 business days of submission, and will follow-up with county behavioral health programs if the CAP documents are missing required elements and/or need to be resubmitted. After submission of the CAP, should DHCS determine that the CAP is ineffective, the contractor shall propose an alternative corrective action plan to DHCS.

Counties must submit CAP(s) electronically via **secure** email (i.e., using encryption and typing [secure] in the subject line of the email) to MCBHDMonitoring@dhcs.ca.gov.

For questions regarding this BHIN, please contact DHCS at MCBHDMonitoring@dhcs.ca.gov.

Sincerely,

Original signed by

Shaina Zurlin, LCSW, PsyD, Chief
Medi-Cal Behavioral Health Services Division

Enclosure

⁹ Welf. & Inst. Code [§ 14197.7\(d\)](#).