



WILL LIGHTBOURNE
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

September 13, 2021

Sent via e-mail to: dewert@co.shasta.ca.us

Donnell Ewert, MHP, Director
Shasta County Health & Human Services Agency
2650 Breslauer Way
Redding, CA 96001

SUBJECT: Annual SABG County Compliance Unit Findings Report

Dear Director Ewert:

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 Contract operated by Shasta County.

The County Compliance Unit (CCU) within the Audits and Investigations Division (A&I) 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 Shasta County's Fiscal Year 2020-21 SABG compliance review. The report identifies deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

Shasta County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the Community Services Division (CSD), Community Support Branch (CSB), Policy, Monitoring and Financing Section (PMFS) Analyst by 11/15/2021. Please use enclosed CAP form and submit the completed CAP and supporting documentation by email to the PMFS analyst at SABGcompliance@dhcs.ca.gov.

If you have any questions, please contact me at michael.bivians@dhcs.ca.gov.

Sincerely,

Michael Bivians
(916) 713-8966

Audits and Investigations Division
Medical Review Branch
Behavioral Health Compliance Section
County Compliance Unit
1500 Capitol Ave., MS 2305
Sacramento, CA 95814
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Paige Green, Shasta County Director of Adult Services, Alcohol and Drug Program Administrator

COUNTY REVIEW INFORMATION

County:

Shasta

County Contact Name/Title:

Katie Cassidy / Program Manager Adult Services

County Address:

2650 Breslauer Way
Redding, CA 96001

County Phone Number/Email:

(530) 225-5997
kcassidy@co.shasta.ca.us

Date of Review:

6/29/2021

Lead CCU Analyst:

Michael Bivians

Assisting CCU Analyst(s):

Susan Volmer

Report Prepared by:

Michael Bivians

Report Approved by:

Ayesha Smith

REVIEW SCOPE

- I. Regulations:
 - a. California Code of Regulations, Title 22, section 51341.1 – Drug Medi-Cal Substance Use Disorder Services
 - b. Code of Federal Regulations; Title 45, Part 96; Subpart L; section 96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
 - c. United States Code, Title 42, Section 300x-21 through 300x-66: Block Grants regarding Mental Health and Substance Use
 - d. Health and Safety Code, Division 10.5, Section 11750 – 11970: Alcohol and Drug Programs

- II. Program Requirements:
 - a. Fiscal Year (FY) 2020-21 Substance Abuse Block Grant (SABG) Application, herein referred to as the SABG Application
 - b. State of California *Youth Treatment Guidelines Revised August 2002*
 - c. DHCS *Perinatal Practice Guidelines FY 2018-19*
 - d. National Culturally and Linguistically Appropriate Services (CLAS)
 - e. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices
 - f. Behavioral Health Information Notices (BHIN)

ENTRANCE AND EXIT CONFERENCE SUMMARIES

Entrance Conference:

An Entrance Conference was conducted at via WebEx on 6/29/2021. The following individuals were present:

- Representing DHCS:
Michael Bivians, Staff Services Manager I (SSM I)
Susan Volmer, Associate Governmental Program Analyst (AGPA)
Kionna Howard, AGPA

- Representing Shasta County:
Katie Cassidy, Program Manager, Adult Services
Paige Green, Director of Adult Services, Alcohol and Drug Program Administrator
Cory Brown, Supervising Community Education Specialist
Chari Koller, Accountant Auditor II
Michael Conti, Health & Human Services Agency Program Manager
Valarie Kaiser, Supervising Accountant
Renata Pop-Schnitzler, Senior Staff Services Analyst
Bethany Wooley, Accountant Auditor III
Clemencia Herberlein, Supervising Accountant
Shellie Costa, Supervising Accountant

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of the review process
- Relationship with the Partnership Health Plan

Exit Conference:

An Exit Conference was conducted at Via WebEx on 6/29/2021. The following individuals were present:

- Representing DHCS:
Michael Bivians, SSM I
Susan Volmer, AGPA
Kionna Howard, AGPA

- Representing Shasta County:
Katie Cassidy, Program Manager, Adult Services
Paige Green, Director of Adult Services, Alcohol and Drug Program Administrator
Cory Brown, Supervising Community Education Specialist
Chari Koller, Accountant Auditor II
Michael Conti, Health & Human Services Agency Program Manager
Valarie Kaiser, Supervising Accountant
Renata Pop-Schnitzler, Senior Staff Services Analyst
Bethany Wooley, Accountant Auditor III
Clemencia Herberlein, Supervising Accountant
Shellie Costa, Supervising Accountant

During the Exit Conference, the following topics were discussed:

- Follow-up documentation due date
- Feedback on monitoring protocols

SUMMARY OF FY 2020-21 COMPLIANCE DEFICIENCIES (CD)

<u>Section</u>	<u>Number of CD's</u>
1.0 Administration	9
2.0 Prevention	0
3.0 Perinatal	2
4.0 Adolescent/Youth Treatment	1
5.0 Data/CalOMS	2
6.0 Program Integrity	5
7.0 Fiscal	0

CORRECTIVE ACTION PLAN (CAP)

Pursuant to the SABG County Application, Enclosure 1, Part I, Section 3, B, 5-8 each CD identified must be addressed via a CAP. The CAP is due within sixty (60) calendar days of the date of this monitoring report.

Please provide the following within the completed FY 2020-21 CAP:

- a) A statement of the CD.
- b) A list of action steps to be taken to correct the CD.
- c) A date of completion for each CD.
- d) The name of the person who will be responsible for corrections and ongoing compliance.

The PMFS analyst will monitor progress of the CAP completion.

Category 1: ADMINISTRATION

A review of the County's Maintenance of Records, service providers, referrals, services, contracts, and general provisions was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 1.2.1:

SABG Application, Enclosure 2, I, 1, A, 1, f-g

1. Performance under the terms of this Enclosure 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), County 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 County and its subcontractors for any failure to comply with these requirements:
 - f. Code of Federal Regulations (CFR), Title 45, Part 75, Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards.
 - g. CFR, Title 45, Part 96, Block Grants.

45 CFR 75.329(d)

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- 1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- 2) Proposals must be solicited from an adequate number of qualified sources;
- 3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- 4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- 5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

Findings: The County did not provide evidence demonstrating a process for procurement of SABG-funded prevention and treatment programs complying with the regulations found in 45 CFR Part 75.

CD: 1.5.2:

SABG Application Enclosure 2, II, 2

1. Hatch Act

County agrees to comply with the provisions of the Hatch Act (USC, Title 5, Part III, Subpart F., Chapter 73, Subchapter III), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating subcontractor compliance with the Hatch Act. The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically the Hatch Act.

CD: 1.5.3:

SABG Application Enclosure 2, II, 3

3. No Unlawful Use or Unlawful Use Messages Regarding Drugs

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.

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating subcontractor compliance with No Unlawful Use or Unlawful Use Messages Regarding Drugs. The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically No Unlawful Use or Unlawful Use Messages Regarding Drugs.

CD: 1.5.4:

SABG Application, Enclosure 2, II, 4

4. Limitation on Use of Funds for Promotion of Legalization of Controlled Substances

None of the funds made available through this Contract may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating subcontractor compliance with the Limitation on Use of Funds for Promotion of Legalization of Controlled Substances. The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically the Limitation on Use of Funds for Promotion of Legalization of Controlled Substances.

CD: 1.5.5:

SABG Application Enclosure 2, II, 9

9. Counselor Certification

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 registered or certified as defined in CCR, Title 9, Division 4, Chapter 8.

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically Counselor Certification.

CD: 1.5.6:

SABG Application, Enclosure 2, II, 5

5. Debarment and Suspension

County shall not subcontract with or employ any party listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp. p. 189) and 12689 (3 CFR part 1989., p. 235), "Debarment and Suspension." SAM exclusions contain the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

The County shall advise all subcontractors of their obligation to comply with applicable federal debarment and suspension regulations, in addition to the requirements set forth in 42 CFR Part 1001. If a County subcontracts or employs an excluded party, DHCS has the right to withhold payments, disallow costs, or issue a CAP, as appropriate, pursuant to HSC Code 11817.8(h).

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically Debarment and Suspension.

CD: 1.5.7:

SABG Application Enclosure 2, II, 6

6. Restriction on Distribution of Sterile Needles

No SABG 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 DHCS chooses to implement a demonstration syringe services program for injecting drug users.

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically the Restriction on Distribution of Sterile Needles.

CD: 1.5.8:

SABG Application, Enclosure 2, II, 10

10. 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 as outlined online at:

<https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=2&lvlid=53>

Standard 5: Offer language assistance to individuals who have limited English proficiency and/or other communication needs, at no cost to them, to facilitate timely access to all health care and services.

Standard 8: Provide easy-to-understand print and multimedia materials and signage in the languages commonly used by the populations in the service area.

Standard 11: Collect and maintain accurate and reliable demographic data to monitor and evaluate the impact of CLAS on health equity and outcomes and to inform service delivery.

Standard 12: Conduct regular assessments of community health assets and needs and use the results to plan and implement services that respond to the cultural and linguistic diversity of populations in the service area.

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically Cultural and Linguistic Proficiency.

CD: 1.5.9:

SABG Application, Enclosure 2, II, 14

14. Tribal Communities and Organizations

County shall regularly review population information available through Census, compare to information obtained in the California Outcome Measurement System for Treatment (CalOMS-Tx) to determine whether the population is being reached, and survey Tribal representatives for insight in potential barriers to the substance use service needs of the American Indian/Alaskan Native (AI/AN) population within the County geographic area. Contractor shall also engage in regular and meaningful consultation and collaboration with elected officials of the tribe, Rancheria, or their designee for the purpose of identifying issues/barriers to service delivery and improvement of the quality, effectiveness, and accessibility of services available to AI/NA communities within the County.

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically Tribal Communities and Organizations.

Category 3: PERINATAL

A review of the SABG Perinatal services, outreach and Tuberculosis (TB) monitoring was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 3.3.1:

SABG Application, Enclosure 2, II, 12

12. Tuberculosis Treatment

County shall ensure the following related to Tuberculosis (TB):

- A. Routinely make available TB services to each individual receiving treatment for AOD use and/or abuse.
- B. Reduce barriers to patients' accepting TB treatment.
- C. Develop strategies to improve follow-up monitoring, particularly after patients leave treatment, by disseminating information through educational bulletins and technical assistance.

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

County shall include all of the foregoing provisions in all of its subcontracts

45 CFR § 96.127(a)(3)(i-ii)

Requirements regarding tuberculosis.

(a) States shall require any entity receiving amounts from the grant for operating a program of treatment for substance abuse to follow procedures developed by the principal agency of a State for substance abuse, in consultation with the State Medical Director for Substance Abuse Services, and in cooperation with the State Department of Health/Tuberculosis Control Officer, which address how the program -

(3) Will implement infection control procedures established by the principal agency of a State for substance abuse, in cooperation with the State Department of Health/Tuberculosis Control Officer, which are designed to prevent the transmission of tuberculosis, including the following:

- (i) Screening of patients;
- (ii) Identification of those individuals who are at high risk of becoming infected;

Findings: The County did not make available evidence demonstrating the all requirements for Tuberculosis Treatment, specifically:

- Develop strategies to improve follow-up monitoring, particularly after patients leave treatment, by disseminating information through educational bulletins and technical assistance.

The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically Tuberculosis Treatment.

CD 3.4.2:

SABG Application, Enclosure 2, I, 2, D

D Perinatal Practice Guidelines

County shall comply with the perinatal program requirements as outlined in the Perinatal Practice Guidelines as listed online: <https://www.dhcs.ca.gov/individuals/Pages/Perinatal-Services.aspx>.

The County shall comply with the current version of these guidelines until new Perinatal Practice Guidelines are established and adopted. County must adhere to the Perinatal Practice Guidelines, regardless of whether the County exchanges perinatal funds for additional discretionary funds.

Perinatal Practice Guidelines Section B. 11

10. CAPACITY MANAGEMENT

Capacity management systems track and manage the flow of clients with SUDs entering treatment. These systems

serve to ensure timely placement into the appropriate level of care.

When a SUD treatment provider cannot admit a pregnant and parenting woman because of insufficient capacity, the provider will provide or arrange for interim services within 48 hours of the request, including a referral for prenatal care.

Refer to the following for more information:

- i. Section C(6), Referrals;
- ii. Section C(7), Interim Services; and
- iii. Section C(9), Waiting List

In addition, the provider must refer the woman to DHCS through its capacity management program.

- i. When a SUD treatment provider serving intravenous substance users reaches or exceeds 90 percent of its treatment capacity, the provider must report this information to the Drug and Alcohol Treatment Access Report (DATAR) on a monthly basis. 54 The DATAR system is DHCS's capacity management program used to collect data on SUD treatment capacity and waiting lists
- ii. A provider and/or county must also notify DHCS upon reaching or exceeding 90 percent of its treatment capacity within seven days.
 - a. Providers and/or counties must notify DHCS by emailing DHCSPerinatal@dhcs.ca.gov.
 - b. The subject line in the email must read "Capacity Management."

45 C.F.R. § 96.126(a)

In order to obtain Block Grant funds, the State must require programs that receive funding under the grant and that treat individuals for intravenous substance abuse to provide to the State, upon reaching 90 percent of its capacity to admit individuals to the program, a notification of that fact within seven days. In carrying out this section, the State shall establish a capacity management program which reasonably implements this section - that is, which enables any such program to readily report to the State when it reaches 90 percent of its capacity - and which ensures the maintenance of a continually updated record of all such reports and which makes excess capacity information available to such programs.

Findings: The County did not make available evidence demonstrating DHCS is notified when the County or a subcontracted provider reaches or exceeds 90 percent of its treatment capacity.

Category 4: ADOLESCENT/YOUTH TREATMENT

A review of the SABG Adolescent/Youth Treatment program and services was conducted to ensure compliance with applicable regulations and standards. The following deficiency in regulations, standards or protocol requirements was identified:

COMPLIANCE DEFICIENCY:

CD 4.1.3:

SABG Application, Enclosure 2, II, 16

16. Youth Treatment Guidelines

County must comply with DHCS guidelines in developing and implementing youth treatment programs funded under this Enclosure, until new Youth Treatment Guidelines are established and adopted. Youth Treatment Guidelines are posted online at:

<https://www.dhcs.ca.gov/individuals/Pages/youthsuds services.aspx>

Youth Treatment Guidelines, Section VI, A, 1, a-e

A. Case Management and Complementary Services

Except for early intervention programs, programs should provide or arrange for case management services for every youth in treatment. If the case manager function is provided directly by the treatment program, the case manager should:

1. Have training and skills in the following areas:
 - A. AOD treatment, an understanding of addiction, and the intergenerational nature of AOD abuse;
 - B. familiarity with community resources and other youth service systems (education, child welfare, juvenile justice, mental health, etc.);
 - C. physical and sexual abuse;
 - D. family dynamics; and,
 - E. legal issues (informed consent for minors, disclosure of confidential information, child abuse/neglect reporting requirements, and duty-to-warn issues).

Findings: The County did not make available evidence demonstrating youth treatment programs where case management is provided; the case manager has the training and skills in the following areas:

- AOD treatment, an understanding of addiction, and the intergenerational nature of AOD abuse;
- Familiarity with community resources and other youth service systems (education, child welfare, juvenile justice, mental health, etc.);
- Physical and sexual abuse;
- Family dynamics; and,
- Legal issues (informed consent for minors, disclosure of confidential information, child abuse/neglect reporting requirements, and duty-to-warn issues).

Category 5: DATA/CALOMS

A review of data submissions via CalOMS was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD: 5.1.2:

SABG Application, Enclosure 2, III, 2, C-F

2. California Outcomes Measurement System for Treatment (CalOMS-Tx)

The CalOMS-Tx business rules and requirements are:

- C. Electronic submission of CalOMS-Tx data shall be submitted by County within 45 days from the end of the last day of the report month.
- D. County shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (<https://www.dhcs.ca.gov/provgovpart/Pages/CalOMS-Treatment.aspx>) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS Tx data collection.
- E. County shall submit CalOMS-Tx admission, 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.
- F. County shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method, as identified online at:
<https://www.dhcs.ca.gov/provgovpart/Pages/CalOMS-Treatment.aspx>

Findings: The County’s Open Admissions report is not in compliance and the County’s Open Provider report is not in compliance.

CD: 5.1.3:

SABG Application, Enclosure 2, III, 5, C

5. Drug and Alcohol Treatment Access Report (DATAR)

The DATAR business rules and requirements are:

- C. The County shall ensure that all DATAR reports are submitted by either County-operated treatment services and by each subcontracted treatment provider to DHCS by the 10th of the month following the report activity month.

Findings: The County’s DATAR report is not in compliance.

Category 6: PROGRAM INTEGRITY

A review of the SABG monitoring, privacy, and program integrity was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD: 6.1.1:

SABG Application, Enclosure 2, I, 1, A, 1

1. Performance under the terms of this Enclosure 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), County 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 County and its subcontractors for any failure to comply with these requirements:

SABG Application Enclosure 2, I, 1, A, 3-4

3. County shall adhere to the applicable provisions of Title 45, CFR, Part 75 and Part 96 in the expenditure of SABG funds.
4. County and all its subcontractors shall comply with the Minimum Quality Drug Treatment Standards for SABG for all Substance Use Disorder (SUD) treatment programs either partially or fully funded by SABG. The Minimum Quality Drug Treatment Standards for SABG are attached to this Contract in Enclosure 4.

Findings: The County's current blank monitoring tool(s) used to monitor County and subcontracted providers for compliance with SABG program requirements does not include the following elements:

- Charitable Choice
- IDU Services
- Interim Services
- CalOMS/DATAR
- Trafficking Victims Protection Act 2000 (TVPA)

CD 6.1.3:

SABG Application Enclosure 2, I, 3, A, 1, a-e

1. County's performance under the County Performance Contract and the SABG County Application shall be monitored by DHCS during the term of the County Performance Contract. Monitoring criteria shall include, but not be limited to:
 - a. Whether the quantity of work or services being performed conforms to Enclosure 3.
 - b. Whether the County has established and is monitoring appropriate quality standards.
 - c. Whether the County is abiding by all the terms and requirements of this Contract.
 - d. Whether the County is abiding by the terms of the Perinatal Practice Guidelines.
 - e. Whether the County conducted annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. County shall submit copy of

its monitoring and audit reports to DHCS within two weeks of issuance. Reports shall be sent by secure, encrypted e-mail to:

SUDCountyReports@dhcs.ca.gov or

Audits and Investigations Division
Medical Review Branch
Department of Health Care Services
PO Box 997413, MS-2703
Sacramento, CA 95899-7413

Findings: The County did not make available evidence it conducts an onsite monitoring review of each County managed and subcontracted program providing SABG funded services.

CD 6.2.1:

SABG Application, Enclosure 2, I, A, 1, h

1. Performance under the terms of this Enclosure 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), County 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 County and its subcontractors for any failure to comply with these requirements:
 - a. Code of Federal Regulations (CFR), Title 42, Part 2, Confidentiality of Substance Use Disorder Patient Records.

SABG Application, Enclosure 2, II, 19, L

19. Federal Law Requirements:

- L. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).

SABG Application, Enclosure 2, II, 23

23. Subcontract Provisions

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

Findings: The County did not make available evidence demonstrating all of the foregoing SABG Application, Enclosure 2, Section II general provisions are included in all executed subcontracts, specifically the Confidentiality of Substance Use Disorder Patient Records under 42 CFR Part 2, Subparts A-E.

CD 6.2.3:

County Performance Contract, Exhibit E-1, 3, D, 9

9. 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.

45 CFR § 164.526

(a) *Standard: Right to amend.*

(1) *Right to amend.* An individual has the right to have a covered entity amend protected health information or a record about the individual in a designated record set for as long as the protected health information is maintained in the designated record set.

(2) *Denial of amendment.* A covered entity may deny an individual's request for amendment, if it determines that the protected health information or record that is the subject of the request:

- (i) Was not created by the covered entity, unless the individual provides a reasonable basis to believe that the originator of protected health information is no longer available to act on the requested amendment;
- (ii) Is not part of the designated record set;
- (iii) Would not be available for inspection under § 164.524; or
- (iv) Is accurate and complete.

(b) *Implementation specifications: Requests for amendment and timely action -*

(1) *Individual's request for amendment.* The covered entity must permit an individual to request that the covered entity amend the protected health information maintained in the designated record set. The covered entity may require individuals to make requests for amendment in writing and to provide a reason to support a requested amendment, provided that it informs individuals in advance of such requirements.

(2) *Timely action by the covered entity.*

(i) The covered entity must act on the individual's request for an amendment no later than 60 days after receipt of such a request, as follows.

(A) If the covered entity grants the requested amendment, in whole or in part, it must take the actions required by paragraphs (c)(1) and (2) of this section.

(B) If the covered entity denies the requested amendment, in whole or in part, it must provide the individual with a written denial, in accordance with paragraph (d)(1) of this section.

(ii) If the covered entity is unable to act on the amendment within the time required by paragraph (b)(2)(i) of this section, the covered entity may extend the time for such action by no more than 30 days, provided that:

(A) The covered entity, within the time limit set by paragraph (b)(2)(i) of this section, provides the individual with a written statement of the reasons for the delay and the date by which the covered entity will complete its action on the request; and

(B) The covered entity may have only one such extension of time for action on a request for an amendment.

(c) *Implementation specifications: Accepting the amendment.* If the covered entity accepts the requested amendment, in whole or in part, the covered entity must comply with the following requirements.

(1) *Making the amendment.* The covered entity must make the appropriate amendment to the protected health information or record that is the subject of the request for amendment by, at a minimum, identifying the records in the designated record set that are affected by the amendment and appending or otherwise providing a link to the location of the amendment.

(2) *Informing the individual.* In accordance with paragraph (b) of this section, the covered entity must timely inform the individual that the amendment is accepted and obtain the individual's identification of and agreement to have the covered entity notify the relevant persons with which the amendment needs to be shared in accordance with paragraph (c)(3) of this section.

(3) *Informing others.* The covered entity must make reasonable efforts to inform and provide the amendment within a reasonable time to:

- (i) Persons identified by the individual as having received protected health information about the individual and needing the amendment; and
- (ii) Persons, including business associates, that the covered entity knows have the protected health information that is the subject of the amendment and that may have relied, or could foreseeably rely, on such information to the detriment of the individual.

(d) *Implementation specifications: Denying the amendment.* If the covered entity denies the requested amendment, in whole or in part, the covered entity must comply with the following requirements.

(1) *Denial.* The covered entity must provide the individual with a timely, written denial, in accordance with paragraph (b)(2) of this section. The denial must use plain language and contain:

- (i) The basis for the denial, in accordance with paragraph (a)(2) of this section;
- (ii) The individual's right to submit a written statement disagreeing with the denial and how the individual may file such a statement;
- (iii) A statement that, if the individual does not submit a statement of disagreement, the individual may request that the covered entity provide the individual's request for amendment and the denial with any future disclosures of the protected health information that is the subject of the amendment; and
- (iv) A description of how the individual may complain to the covered entity pursuant to the complaint procedures established in § 164.530(d) or to the Secretary pursuant to the procedures established in § 160.306. The description must include the name, or title, and telephone number of the contact person or office designated in § 164.530(a)(1)(ii).

(2) *Statement of disagreement.* The covered entity must permit the individual to submit to the covered entity a written statement disagreeing with the denial of all or part of a requested amendment and the basis of such disagreement. The covered entity may reasonably limit the length of a statement of disagreement.

(3) *Rebuttal statement.* The covered entity may prepare a written rebuttal to the individual's statement of disagreement. Whenever such a rebuttal is prepared, the covered entity must provide a copy to the individual who submitted the statement of disagreement.

(4) *Recordkeeping.* The covered entity must, as appropriate, identify the record or protected health information in the designated record set that is the subject of the disputed amendment and append or otherwise link the individual's request for an amendment, the covered entity's denial of the request, the individual's statement of disagreement, if any, and the covered entity's rebuttal, if any, to the designated record set.

(5) *Future disclosures.*

(i) If a statement of disagreement has been submitted by the individual, the covered entity must include the material appended in accordance with paragraph (d)(4) of this section, or, at the election of the covered entity, an accurate summary of any such information, with any subsequent disclosure of the protected health information to which the disagreement relates.

(ii) If the individual has not submitted a written statement of disagreement, the covered entity must include the individual's request for amendment and its denial, or an accurate summary of such information, with any subsequent disclosure of the protected health information only if the individual has requested such action in accordance with paragraph (d)(1)(iii) of this section.

(iii) When a subsequent disclosure described in paragraph (d)(5)(i) or (ii) of this section is made using a standard transaction under part 162 of this subchapter that does not permit the additional material to be included with the disclosure, the covered entity may separately transmit the material required by paragraph (d)(5)(i) or (ii) of this section, as applicable, to the recipient of the standard transaction.

(e) *Implementation specification: Actions on notices of amendment.* A covered entity that is informed by another covered entity of an amendment to an individual's protected health information, in accordance with paragraph (c)(3) of this section, must amend the protected health information in designated record sets as provided by paragraph (c)(1) of this section.

(f) *Implementation specification: Documentation.* A covered entity must document the titles of the persons or offices responsible for receiving and processing requests for amendments by individuals and retain the documentation as required by § 164.530(j).

Findings: The County's evidence demonstrating compliance with the Amendment of Department PHI did not include the required details of the following elements:

- Statement of disagreement
- Rebuttal statement
- Recordkeeping
- Future disclosures
- Actions on notices of amendment
- Documentation

CD 6.2.6:

County Performance Contract, Attachment A, 1, D
Background Check.

Before a member of the workforce may access Department PHI or PI, a background screening of that worker must be conducted. The screening should be commensurate with the risk and magnitude of harm the employee could cause, with more thorough screening being done for those employees who are authorized to bypass significant technical and operational security controls. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years.

Findings: The evidence demonstrating compliance with background screening for workforce members with access to Department PHI or PI did not include the following element:

- Background check documentation is retained for a period of three years.

TECHNICAL ASSISTANCE

Shasta County requests technical assistance with CalOMS-Tx and DATAR data reporting.