



WILL LIGHTBOURNE  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

August 12, 2021

Sent via e-mail to: <valerie.lucero@tchsa.net>; <jayme.bottke@tchsa.net>

Valerie Lucero, Executive Director; Jayme Bottke, Asst. Executive Director of Programs  
Tehama County Health Services Agency  
1850 Walnut St. Suite G  
Red Bluff, CA 96080

SUBJECT: Annual SABG County Compliance Unit Findings Report

Dear Executive Director Lucero and Asst. Executive Director Bottke:

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 Tehama 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 Tehama County's Fiscal Year 2020-21 SABG compliance review. The report identifies deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

Tehama 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 10/12/2021. Please use enclosed CAP form and submit the completed CAP and supporting documentation by email to the PMFS analyst at [SABGcompliance@dhcs.ca.gov](mailto:SABGcompliance@dhcs.ca.gov).

If you have any questions, please contact me at [katrina.beedy@dhcs.ca.gov](mailto:katrina.beedy@dhcs.ca.gov).

Sincerely,

Katrina Beedy  
(916) 713-8811  
[katrina.beedy@dhcs.ca.gov](mailto:katrina.beedy@dhcs.ca.gov)

Audits and Investigations Division  
Medical Review Branch  
Behavioral Health Compliance Section  
County Compliance Unit  
1500 Capitol Ave., MS 2305  
Sacramento, CA 95814  
<http://www.dhcs.ca.gov>

Distribution:

To: Executive Director Valerie Lucero, Asst. Executive Director of Program Jayme Bottke

CC: Mateo Hernandez, Audits and Investigations, Medical Review Branch Acting Chief  
Lanette Castleman, Audits and Investigations, Behavioral Health Compliance Section Chief  
Ayesha Smith, Audits and Investigations, Behavioral Health Compliance Unit Chief  
Michael Bivians, Audits and Investigations, County Compliance Monitoring II Chief  
Tracie Walker, Community Services Division, Community Support Branch Chief  
Victoria King-Watson, Community Services Division, Operations Branch Chief  
Donna Ures, Community Services Division, Policy, Monitoring and Financing Section Chief  
Jessica Fielding, Community Services Division, Family Services Section Chief  
Angelina Azevedo, Community Services Division, Prevention Services Unit Chief  
Denise Galvez, Community Services Division, Youth Services Section Chief  
[SABGcompliance@dhcs.ca.gov](mailto:SABGcompliance@dhcs.ca.gov), Policy, Monitoring and Financing Section  
[MCBHDMonitoring@dhcs.ca.gov](mailto:MCBHDMonitoring@dhcs.ca.gov), County/Provider Operations and Monitoring Branch  
Melissa Williams, SUD Business Operations Supervisor, Tehama County  
Bianca Naron, Compliance Officer, Tehama County

## COUNTY REVIEW INFORMATION

**County:**

Tehama

**County Contact Name/Title:**

Melissa Williams, SUD Business Operations Supervisor

**County Address:**

1850 Walnut St. Suite G.  
Red Bluff, CA 96080

**County Phone Number/Email:**

530-527-8491 ext.3410  
melissa.williams@tchsa.net

**Date of Review:**

7/19/2021

**Lead CCU Analyst:**

Katrina Beedy

**Assisting CCU Analyst(s):**

N/A

**Report Prepared by:**

Katrina Beedy

**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 via WebEx on 7/19/2021. The following individuals were present:

- Representing DHCS:  
Katrina Beedy, Associate Governmental Program Analyst (AGPA)  
Becky Counter, AGPA
- Representing Solano County:  
Jayme Bottke, Asst. Executive Director of Program and Acting Drug and Alcohol Director,  
Tehama County Health Services Agency  
Deanna Gee, Asst. Executive Director of Administration, Tehama County Health Services  
Agency  
Melissa Williams, SUD Business Operations Supervisor  
Dahisy Ramirez, Health Services Analyst II  
Bianca Naron, Compliance Officer  
Joseph Larmour, Health Services Analyst I  
Amber Prather, Health Services Analyst I

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of the review process

### **Exit Conference:**

An Exit Conference was conducted via WebEx on 7/19/2021. The following individuals were present:

- Representing DHCS:  
Katrina Beedy, AGPA  
Becky Counter, AGPA
- Representing Solano County:  
Jayme Bottke, Asst. Executive Director of Program and Acting Drug and Alcohol Director,  
Tehama County Health Services Agency  
Deanna Gee, Asst. Executive Director of Administration, Tehama County Health Services  
Agency  
Melissa Williams, SUD Business Operations Supervisor  
Dahisy Ramirez, Health Services Analyst II  
Bianca Naron, Compliance Officer  
Joseph Larmour, Health Services Analyst I  
Amber Prather, Health Services Analyst I

During the Exit Conference, the following topics were discussed:

- Submitting follow-up evidence
- Due date for evidence submission

## SUMMARY OF FY 2020-21 COMPLIANCE DEFICIENCIES (CD)

<u>Section</u>	<u>Number of CD's</u>
1.0 Administration	4
2.0 Prevention	0
3.0 Perinatal	0
4.0 Adolescent/Youth Treatment	0
5.0 Data/CalOMS	1
6.0 Program Integrity	3
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 competitive procurement of SABG-funded prevention and treatment programs.



**CD 1.2.3:**

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(f) (1-4)

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- (1) The item is available only from a single source;
- (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- (3) The HHS awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
- (4) After solicitation of a number of sources, competition is determined inadequate.

45 CFR 75.333(b)(1)

(b) The non-Federal entity must make available upon request, for the HHS awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

- 1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;

**Findings:** The County did not demonstrate the justification of procurement of SABG service providers with noncompetitive proposals included at least one or more of the following required elements:

- The service is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- The HHS awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; and
- After solicitation of a number of sources, competition is determined inadequate.

The County did not make available the list of the total number of current County subcontracted SABG service providers procured with a noncompetitive proposal.

The County did not make available a copy of the procurement proposal along with the justification for each noncompetitive SABG provider.

**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 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: 1.5.9:**

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 5: DATA/CALOMS

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

### COMPLIANCE DEFICIENCY:

#### **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.

## 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 6.1.3:**

##### 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 program providing SABG funded services during fiscal year 19-20.

- The County monitored zero (0) of three (3) County-operated SABG-funded providers, and did not submit audit reports of annual reviews to DHCS.

#### **CD 6.2.4:**

##### County Performance Contract, Attachment A, 1, A

##### Employee Training.

All workforce members who assist in the performance of functions or activities on behalf of the Department, or access or disclose Department PHI or PI must complete information privacy and security training, at least annually, at Contractor's expense. Each workforce member who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following termination of this Agreement.

**Findings:** The County did not make available the signed training certificates for FY 2019-20 as evidence of completed Privacy and Security training for subcontracted provider staff.

The County did not make available evidence demonstrating the Information Privacy and Security training certificates are retained for a period of six years following the termination of the agreement.

**CD 6.2.5:**

County Performance Contract, Attachment A, 1, C  
Confidentiality Statement.

All persons that will be working with Department PHI or PI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to access to Department PHI or PI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for Department inspection for a period of six (6) years following termination of this Agreement.

**Findings:** The County did not make available the County staff's signed confidentiality statements for FY 2019-20 as evidence of compliance.

The County did not make available the subcontractor's signed confidentiality statements for FY 2019-20 as evidence of compliance.

The County did not make available evidence demonstrating the confidentiality statements are retained for a period of six years following the termination of the agreement.

## TECHNICAL ASSISTANCE

**CalOMS-Tx and DATAR:** Open Admissions Report has old data that County has been unable to clean up and remove. Assistance is needed.