



WILL LIGHTBOURNE  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

August 31, 2021

Sent via e-mail to: [jnagel@ochca.com](mailto:jnagel@ochca.com)

Jeffrey A. Nagel, Behavior Health Director  
Orange County Health Care Agency Behavioral Health Services  
405 West 5<sup>th</sup> Street, Suite 724  
Santa Ana, CA 92701

SUBJECT: Annual DMC-ODS County Compliance Unit Findings Report

Dear Director Nagel:

The Department of Health Care Services (DHCS) is responsible for monitoring compliance to the requirements of the Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver and the terms of the Intergovernmental Agreement operated by Orange 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 Orange County's State Fiscal Year 2020-21 DMC-ODS compliance review. The report identifies deficiencies, required corrective actions, new requirements, advisory recommendations, and referrals for technical assistance.

Orange County is required to submit a Corrective Action Plan (CAP) addressing each compliance deficiency (CD) noted to the Medi-Cal Behavioral Health Division (MCBHD), Plan and Network Monitoring Branch (PNMB), County/Provider Operation and Monitoring Branch (CPOMB) Analyst by 11/1/2021. Please use the enclosed CAP form and submit the completed the CAP and supporting documentation via email to the CPOMB liaison at [MCBHDMonitoring@dhcs.ca.gov](mailto:MCBHDMonitoring@dhcs.ca.gov).

If you have any questions or need assistance, please contact me at [becky.counter@dhcs.ca.gov](mailto:becky.counter@dhcs.ca.gov).

Sincerely,

*BLCounter*

Becky Counter

(916) 713-8567

[becky.counter@dhcs.ca.gov](mailto:becky.counter@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: Director Nagel,

CC: Mateo Hernandez, Audits and Investigations, Medical Review Branch Acting Chief  
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[MCBHDMonitoring@dhcs.ca.gov](mailto:MCBHDMonitoring@dhcs.ca.gov), County/Provider Operations and Monitoring Branch  
Azahar Lopez, Orange County Administrative Manager II, Authority and Quality Improvement  
Services (AQIS)

## COUNTY REVIEW INFORMATION

**County:**  
Orange

**County Contact Name/Title:**  
Azahar Lopez, Administrative Manager II, AQIS

**County Address:**  
405 West 5<sup>th</sup> Street  
Santa Ana, CA 92701

**County Phone Number/Email:**  
(714) 796-0208  
[azlopez@ocha.com](mailto:azlopez@ocha.com)

**Date of DMC-ODS Implementation:**  
7/1/2018

**Date of Review:**  
7/12/2021

**Lead CCU Analyst:**  
Becky Counter

**Assisting CCU Analyst:**  
N/A

**Report Prepared by:**  
Becky Counter

**Report Approved by:**  
Ayesha Smith

## REVIEW SCOPE

- I. Regulations:
  - a. Special Terms and Conditions (STCs) for California's Medi-Cal 2020 section 1115(a) Medicaid Demonstration STC, Part X: Drug Medi-Cal Organized Delivery System
  - b. Code of Federal Regulations, Title 42, Chapter IV, Subchapter C, Part 438; section 438.1 through 438.930: Managed Care
  
- II. Program Requirements:
  - a. Fiscal Year (FY) 2020-21 Intergovernmental Agreement (IA)
  - b. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices
  - c. Behavioral Health Information Notices (BHIN)

## ENTRANCE AND EXIT CONFERENCE SUMMARIES

### Entrance Conference:

An Entrance Conference was conducted via WebEx on 7/12/2021. The following individuals were present:

- Representing DHCS:  
Becky Counter, Associate Governmental Program Analyst, (AGPA)  
Natalia Krasnodemsky, AGPA  
Kathryn Sears, Staff Services Manager I, (SSMI)
- Representing Orange County:  
Glenda Aguilar, Program Manager II, Adult and Older Adult Behavioral Health (AOABH)  
Bijan Amirshahi, Service Chief II, Ethnic Services  
Elizabeth Bausman, Admin. Manager I, AQIS  
Yvonne Brack, Service Chief II, AQIS  
David Castellanos, Information Security/ Technology  
Wendy Elliott, Service Chief II, AOABH  
April Jannise, Admin. Manager II, AQIS  
Ian Kemmer, Director, AQIS  
Anthony Le, Admin. Manager II, Program Support/Financial  
Alicia Lemire, Admin. Manager II, Children, Youth and Prevention Behavioral Health (CYPBH)  
Azahar Lopez, Admin. Manager II, AQIS  
Chiyo Matsubayashi, Service Chief II, AQIS  
Annette Mugrditchian, Director of Operations, Behavioral Health Services (BHS)  
Bill Norsetter, Admin. Manager II, Procurement/Contract Services  
Sandra Okubo, Sr Research Analyst, AQIS  
Joey Pham, Program Supervisor II, AQIS  
Kelly Sabat, Division Manager, AQIS  
Susan Weidhaas, Admin Manager I, AQIS  
April Thornton, Program Manager II, AOABH  
Annette Tran, Admin Manager II, CYBH  
Don Browder, Human Resources Employee Relations Manager, HCA  
Erica Spencer, Staff Specialist, IRIS team  
Diane Holley, Program Manager II, AOABH  
Juan Corral, Division Manager-Contracts and Procurement Services  
Sarah Nguyen Behavioral Health Clinician II/Contract Monitor, CYPBH  
C. Scott Huffman, BHS Assoc. Medical Director DMC-ODS  
Carolyn Secrist, Program Supervisor II

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of the monitoring process
- Orange County overview of services

**Exit Conference:**

An Exit Conference was conducted via WebEx on 7/12/2021. The following individuals were present:

- Representing DHCS:  
Becky Counter, AGPA  
Natalia Krasnodemsky, AGPA  
Kathryn Sears, SSMI
  
- Representing Orange County:  
Glenda Aguilar, Program Manager II, AOABH  
Elizabeth Bausman, Admin. Manager I, AQIS  
Wendy Elliott, Service Chief II, AOABH  
April Jannise, Admin. Manager II, AQIS  
Ian Kemmer, Director, AQIS  
Alicia Lemire, Admin. Manager II, CYBH  
Azahar Lopez, Admin. Manager II, AQIS  
Chiyo Matsubayashi, Service Chief II, AQIS  
Bill Norsetter, Admin. Manager II, Procurement/Contract Services  
April Thornton, Program Manager II, AOABH  
Annette Tran, Admin Manager II, CYBH  
Juan Corral, Division Manager-Contracts and Procurement Services

During the Exit Conference, the following topics were discussed:

- Review of compliance deficiencies
- Follow-up deadlines

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

<u>Section:</u>	<u>Number of CD's</u>
1.0 Availability of DMC-ODS Services	0
2.0 Coordination of Care	0
3.0 Quality Assurance and Performance Improvement	2
4.0 Access and Information Requirements	0
5.0 Beneficiary Rights and Protections	0
6.0 Program Integrity	0

## **CORRECTIVE ACTION PLAN (CAP)**

Pursuant to the Intergovernmental Agreement, Exhibit A, Attachment I, Part III, Section KK, 2, i 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 CPOMB liaison will monitor progress of the CAP completion.



## Category 3: QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT

A review of the practice guidelines, monitoring, and other quality assurance requirements was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in quality assurance and performance improvement were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 3.2.1**

#### Intergovernmental Agreement Exhibit A, Attachment I, III, OO, 1, i, d

##### 1. Monitoring

- i. The Contractor's performance under this Exhibit A, Attachment I, shall be monitored by DHCS annually during the term of this Agreement. Monitoring criteria shall include, but not be limited to:
  - d. 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

Alternatively, mail to:

Department of Health Care Services  
Medi-Cal Behavioral Health Division  
1500 Capitol Avenue, MS-2623  
Sacramento, CA 95814

#### Intergovernmental Agreement Exhibit A, Attachment I, III, AA, 1-2 iv

1. In addition to complying with the subcontractual relationship requirements set forth in Article II.E.8 of this Agreement, the Contractor shall ensure that all subcontracts require that the Contractor oversee and is held accountable for any functions and responsibilities that the Contractor delegates to any subcontractor.
2. Each subcontract shall:
  - iv. Ensure the Contractor monitors the subcontractor's performance on an ongoing basis and subject it to an annual onsite review, consistent with statutes, regulations, and Article III.PP.

**Findings:** The Plan did not monitor all county and subcontracted providers for compliance with DMC-ODS programmatic and fiscal requirements. Specifically:

- For FY 2019-20, the Plan monitored 12 of 13 Plan and sub-contracted providers for DMC-ODS programmatic and fiscal requirements, and submitted audit reports of these monitoring reviews to DHCS.

- The Plan submitted one (1) of 12 DMC-ODS audit reports to DHCS within two weeks of report issuance.

### **CD 3.2.2**

#### Intergovernmental Agreement Exhibit A, Attachment I, III, FF, 4, i, c-f

- i. The CalOMS-Tx business rules and requirements are:
  - c. Electronic submission of CalOMS-Tx data shall be submitted by Contractor within 45 days from the end of the last day of the report month;
  - d. Contractor shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (Document 3J) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS-Tx data collection and reporting requirements;
  - e. Contractor 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; and
  - f. Contractor shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS identified in (Document 3S) for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method.

#### Intergovernmental Agreement Exhibit A, Attachment I, III, AA, 1-2 iv

1. In addition to complying with the subcontractual relationship requirements set forth in Article II.E.8 of this Agreement, the Contractor shall ensure that all subcontracts require that the Contractor oversee and is held accountable for any functions and responsibilities that the Contractor delegates to any subcontractor.
2. Each subcontract shall:
  - iv. Ensure the Contractor monitors the subcontractor’s performance on an ongoing basis and subject it to an annual onsite review, consistent with statutes, regulations, and Article III.PP.

#### **Findings:** The following CalOMS-Tx report is non-compliant:

- Open Admissions Report

## **TECHNICAL ASSISTANCE**

DHCS's County Compliance Unit Analyst will make referrals to the DHCS' CPOMB County Liaison for the training and/or technical assistance areas identified below:

Other Topic: Orange County is requesting help with cleaning up the database from thousands of CalOMS entries by providers that were not connected with the County at the time the missing records should have been submitted.