



WILL LIGHTBOURNE  
DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

June 22, 2021

Sent via e-mail to: [alan@sbcmh.org](mailto:alan@sbcmh.org)

Alan Yamamoto, LCSW, Behavioral Health Director SUD Administrator  
San Benito County Behavioral Health Services  
1131 San Felipe Road  
Hollister, CA 95023-2809

SUBJECT: Annual DMC-ODS County Compliance Unit Findings Report

Dear Director Yamamoto:

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 San Benito 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 San Benito 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.

San Benito 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 8/23/2021. Please use the enclosed CAP form and submit the completed 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,  
*BL Counter*

Becky Counter  
(916) 713-8567  
[becky.counter@dhcs.ca.gov](mailto:becky.counter@dhcs.ca.gov)

Audits and Investigations Division  
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County Compliance Unit  
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Sacramento, CA 95814  
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Distribution:

To: Director Yamamoto,

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  
Rachel White, San Benito County Behavioral Health, Assistant Director  
Grizelle Rios, San Benito County Behavioral Health, Quality Improvement Supervisor

## COUNTY REVIEW INFORMATION

**County:**  
San Benito

**County Contact Name/Title:**  
Grizelle Rios / Quality Improvement Supervisor

**County Address:**  
1131 San Felipe Road  
Hollister, CA 95023-2809

**County Phone Number/Email:**  
831-636-4020  
grios@sbcmh.org

**Date of DMC-ODS Implementation:**  
10/26/2017

**Date of Review:**  
5/12/2021

**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 5/12/2021. The following individuals were present:

- Representing DHCS:  
Becky Counter, Associate Governmental Program Analyst (AGPA)  
Angela Rankin, AGPA
- Representing San Benito County:  
Alan Yamamoto, Director  
Rachel White, Assistant Director  
Elizabeth Lopez, SUD Program Clinical Supervisor  
Grizelle Rios, Quality Improvement Supervisor  
Maxe Cendana, Compliance Officer

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of the monitoring process
- San Benito County overview of services

### **Exit Conference:**

An Exit Conference was conducted via WebEx on 5/12/2021. The following individuals were present:

- Representing DHCS:  
Becky Counter, AGPA  
Angela Rankin, AGPA  
Jamie Saunders, Staff Services Manager I
- Representing San Benito County:  
Rachel White, Assistant Director  
Elizabeth Lopez, SUD Program Clinical Supervisor  
Grizelle Rios, Quality Improvement Supervisor  
Maxe Cendana, Compliance Officer

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	5
2.0 Coordination of Care	0
3.0 Quality Assurance and Performance Improvement	3
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 1: AVAILABILITY OF DMC-ODS SERVICES

A review of the administrative trainings, policies and procedures was conducted to ensure compliance with applicable regulations, and standards. The following deficiencies in availability of DMC-ODS services were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 1.1.1:**

##### Intergovernmental Agreement Exhibit A, Attachment I, III, C, 2

2. The Contractor shall deliver the DMC-ODS Covered Services within a continuum of care as defined in the ASAM criteria.

##### Intergovernmental Agreement Exhibit A, Attachment I, III, C, 3, i-ix

3. Mandatory DMC-ODS Covered Services include:
  - i. Withdrawal Management (minimum one level);
  - ii. Intensive Outpatient;
  - iii. Outpatient;
  - iv. Opioid (Narcotic) Treatment Programs;
  - v. Recovery Services;
  - vi. Case Management;
  - vii. Physician Consultation;
  - viii. Perinatal Residential Substance Abuse Services (excluding room and board);
  - ix. Non-perinatal Residential Substance Abuse Services (excluding room and board);

##### Intergovernmental Agreement Exhibit A, Attachment I, III, H, 1, v

1. The Contractor shall implement residential treatment program standards that comply with the authorization of services requirements set forth in Article II.E.4. and shall:
  - v. Ensure that at least one ASAM level of Residential Treatment Services is available to beneficiaries in the first year of implementation;

**Findings:** The Plan did not provide related policies and procedures to satisfy this requirement.



**CD 1.2.1:**

Intergovernmental Agreement Exhibit A, Attachment I, II, E, 5, i, a, i-ii

- i. The Contractor shall implement written policies and procedures for selection and retention of network providers and the implemented policies and procedures, at a minimum, meet the following requirements:
  - a. Credentialing and re-credentialing requirements.
    - i. The Contractor shall follow the state's established uniform credentialing and re-credentialing policy that addresses behavioral and substance use disorders, outlined in DHCS Information Notice 18-019.
    - ii. The Contractor shall follow a documented process for credentialing and re-credentialing of network providers.

MHSUDS Information Notice: 18-019

Attestation: For all network providers who deliver covered services, each provider's application to contract with the Plan must include a signed and dated statement attesting to the following:

1. Any limitations or inabilities that affect the provider's ability to perform any of the position's essential functions, with or without accommodation;
2. A history of loss of license or felony conviction;
3. A history of loss or limitation of privileges or disciplinary activity;
4. A lack of present illegal drug use; and
5. The application's accuracy and completeness.

**Findings:** The Plan did not provide two (2) requested credentialing attestations forms from three (3) separate DMC-ODS network providers.

**CD 1.3.3:**

Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 5, i-ii

- i. The SUD Medical Director's responsibilities shall, at a minimum, include all of the following:
  - a. Ensure that medical care provided by physicians, registered nurse practitioners, and physician assistants meets the applicable standard of care.
  - b. Ensure that physicians do not delegate their duties to non-physician personnel.
  - c. Develop and implement written medical policies and standards for the provider.
  - d. Ensure that physicians, registered nurse practitioners, and physician assistants follow the provider's medical policies and standards.
  - e. Ensure that the medical decisions made by physicians are not influenced by fiscal considerations.
  - f. Ensure that provider's physicians and LPHAs are adequately trained to perform diagnosis of substance use disorders for beneficiaries, and determine the medical necessity of treatment for beneficiaries.
  - g. Ensure that provider's physicians are adequately trained to perform other physician duties, as outlined in this section.
- ii. The SUD Medical Director may delegate his/her responsibilities to a physician consistent with the provider's medical policies and standards; however, the SUD Medical Director shall remain responsible for ensuring all delegated duties are properly performed.

Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 6, v

- v. Written roles and responsibilities and a code of conduct for the Medical Director shall be clearly documented, signed and dated by a provider representative and the physician.

**Findings:** The Plan did not submit evidence of the written roles and responsibilities for Dr. Huang, the Plan's Medical Director.

The written roles and responsibilities provided for Dr. Franck, Medical Director from Encompass is missing the following criteria:

- Written roles and responsibilities and a code of conduct for the Medical Director shall be clearly documented, signed and dated by a provider representative and the physician.

The written roles and responsibilities provided for Dr. Castellanos, Medical Director from Valley Health Associates, is missing the following criteria:

- Ensure that medical care provided by physicians, registered nurse practitioners, and physician assistants meets the applicable standard of care.
- Ensure that physicians do not delegate their duties to non-physician personnel.
- Develop and implement written medical policies and standards for the provider.
- Ensure that physicians, registered nurse practitioners, and physician assistants follow the provider's medical policies and standards.
- Ensure that the medical decisions made by physicians are not influenced by fiscal considerations.
- Ensure that provider's physicians and LPHAs are adequately trained to perform diagnosis of substance use disorders for beneficiaries, and determine the medical necessity of treatment for beneficiaries.

- Ensure that provider's physicians are adequately trained to perform other physician duties, as outlined in this section.
- The SUD Medical Director may delegate his/her responsibilities to a physician consistent with the provider's medical policies and standards; however, the SUD Medical Director shall remain responsible for ensuring all delegated duties are properly performed.

**CD 1.3.4:**

Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 5, i, c

- i. The SUD Medical Director's responsibilities shall, at a minimum, include all of the following:
  - c. Develop and implement written medical policies and standards for the provider.

**Findings:** The Plan does not ensure SUD Medical Directors develop and implement written policies and standards for the provider. Specifically:

- For FY 2019-20, the Plan did not provide evidence the Plan's Medical Director, Dr. Huang developed a written medical policy and standard.
- For FY 2019-20, the Plan did not provide evidence the Plan's Medical Director, Dr. Huang implemented a written medical policy and standard.

**CD 1.3.5:**

Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 6, iii, a-i

- iii. Written provider code of conduct for employees and volunteers/interns shall be established which addresses at least the following:
  - a. Use of drugs and/or alcohol
  - b. Prohibition of social/business relationship with beneficiaries or their family members for personal gain
  - c. Prohibition of sexual contact with beneficiaries
  - d. Conflict of interest
  - e. Providing services beyond scope
  - f. Discrimination against beneficiaries or staff
  - g. Verbally, physically, or sexually harassing, threatening or abusing beneficiaries, family members or other staff
  - h. Protection of beneficiary confidentiality
  - i. Cooperate with complaint investigations

Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 6, v

- v. Written roles and responsibilities and a code of conduct for the Medical Director shall be clearly documented, signed and dated by a provider representative and the physician.

**Findings:** The Plan does not ensure that SUD program Medical Directors have a signed Code of Conduct.

The Code of Conduct provided for the Plan's Medical Director, Dr. Huang is missing the following elements:

- Use of drugs and/or alcohol

- Prohibition of social/business relationship with beneficiaries or their family members for personal gain
- Prohibition of sexual contact with beneficiaries
- Conflict of interest
- Providing services beyond scope
- Discrimination against beneficiaries or staff
- Verbally, physically, or sexually harassing, threatening or abusing beneficiaries, family members or other staff
- Protection of beneficiary confidentiality
- Cooperate with complaint investigations
- Shall be clearly documented, signed and dated by a provider representative and the physician

The Code of Conduct provided for Dr. Franck Medical Director from Encompass is missing the following element:

- Shall be clearly documented, signed and dated by a provider representative.

The Code of Conduct provided for Dr. Castellanos, Medical Director from Valley Health Associates is missing the following elements:

- Providing services beyond scope
- Shall be clearly documented, signed and dated by a provider representative

## 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 3.1.4**

##### Intergovernmental Agreement Exhibit A, Attachment I, III, CC, 9

9. The Contractor shall implement mechanisms to monitor the safety and effectiveness of medication practices. The monitoring mechanism shall be under the supervision of a person licensed to prescribe or dispense prescription drugs. Monitoring shall occur at least annually.

**Findings:** The Plan's mechanism to monitor the safety and effectiveness of medication practices does not include the following requirement:

- Monitoring shall be under the supervision of a person licensed to prescribe or dispense prescription drugs.

#### **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 zero (0) of six (6) Plan and sub-contracted providers for DMC-ODS programmatic and/or fiscal requirements, and did not submit audit reports of these monitoring reviews to DHCS.

### **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 reports are non-compliant:

- Open Admissions Report
- Open Providers 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:

**CalOMS:** The Plan requested Technical Assistance for CalOMS-Tx system overviews, trainings and assistance with technical support.