



MICHELLE BAASS
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

October 20, 2021

Sent via e-mail to: <tvariant@sjcbhs.org>

Tony Vartan, Behavioral Health Director
San Joaquin Behavioral Health Services
1212 N. California Street
Stockton, CA 95202

SUBJECT: Annual DMC-ODS County Compliance Unit Findings Report

Dear Director Vartan:

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 Joaquin 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 Joaquin 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 Joaquin 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 12/20/2021. 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.

If you have any questions or need assistance, please contact me at katrina.beedy@dhcs.ca.gov.

Sincerely,

Katrina Beedy

Katrina Beedy
(916) 713-8811

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 Vartan,

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Monitoring Branch Chief
MCBHDMonitoring@dhcs.ca.gov, County/Provider Operations and Monitoring Branch
Donna Bickham, Deputy Director, Quality Assessment and Performance Improvement, San
Joaquin County

COUNTY REVIEW INFORMATION

County:

San Joaquin

County Contact Name/Title:

Donna Bickham/Deputy Director, Quality Assessment and Performance Improvement

County Address:

1212 N. California Street, Stockton, CA 95202

County Phone Number/Email:

(209) 468-8482

dbickham@sjcbhs.org

Date of Review:

9/29/2021

Lead CCU Analyst:

Katrina Beedy

Assisting CCU Analyst:

N/A

Report Prepared by:

Katrina Beedy

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 9/29/2021. The following individuals were present:

- Representing DHCS:
Katrina Beedy, Associate Governmental Program Analyst (AGPA)
Kathryn Sears, Staff Services Manager I (SSM I)
Natalia Krasnodemsky, AGPA

- Representing San Joaquin County:
Tony Vartan, BHS Director
Donna Bickham, Deputy Director, Quality Assessment and Performance Improvement
Betsey Rose, Deputy Director, Substance Abuse Services/Justice and Decriminalization
Fay Vieira, Deputy Director, Children and Youth Services
Chelsea Rambo, Chief Mental Health Clinician, Substance Abuse Services
Chantal Stendardo, Chief Mental Clinician, Compliance
Amanda Yocham, Chief Mental Health Clinician, Children and Youth Services
Katherine Hedrick, QMI and Compliance Office
Janelle Frederiksen, Management Analyst II
Kim Englent, Accounting Manager
Paul Pelletier, Program Manager, Substance Abuse Services
Eric Shingu, Program Manager, Substance Abuse Services
Annalisa Potter, Program Manager, Substance Abuse Services
Joaquin Vivero Program Manager, Substance Abuse Services
Olivia Roccucci, Accountant I
Donna Yim, Information Systems Manager

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of the monitoring process

Exit Conference:

An Exit Conference was conducted via WebEx on 9/29/2021. The following individuals were present:

- Representing DHCS:
Katrina Beedy, AGPA
Kathryn Sears, SSM I
Natalia Krasnodemsky, AGPA

- Representing San Joaquin County:
Tony Vartan, BHS Director
Donna Bickham, Deputy Director, Quality Assessment and Performance Improvement
Betsey Rose, Deputy Director, Substance Abuse Services/Justice and Decriminalization
Fay Vieira, Deputy Director, Children and Youth Services
Chelsea Rambo, Chief Mental Health Clinician, Substance Abuse Services
Chantal Stendardo, Chief Mental Clinician, Compliance
Amanda Yocham, Chief Mental Health Clinician, Children and Youth Services
Katherine Hedrick, QMI and Compliance Office
Janelle Frederiksen, Management Analyst II
Kim Englent, Accounting Manager
Paul Pelletier, Program Manager, Substance Abuse Services
Eric Shingu, Program Manager, Substance Abuse Services
Annalisa Potter, Program Manager, Substance Abuse Services
Joaquin Vivero Program Manager, Substance Abuse Services
Olivia Roccucci, Accountant I
Donna Yim, Information Systems Manager

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 Availability of DMC-ODS Services	4
2.0 Coordination of Care	0
3.0 Quality Assurance and Performance Improvement	3
4.0 Access and Information Requirements	1
5.0 Beneficiary Rights and Protections	0
6.0 Program Integrity	1

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 1.3.2:

Intergovernmental Agreement Exhibit A, Attachment I, III, A, 1, iv-v

- iv. Physicians shall receive a minimum of five hours of continuing medical education related to addiction medicine each year.
- v. Professional staff (LPHAs) shall receive a minimum of five (5) hours of continuing education related to addiction medicine each year.

Findings: The Plan did not provide evidence that two (2) LPHAs from any three (3) of the DMC-ODS subcontractors completed the required CEUs in addiction medicine during FY 2019-20.

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 written roles and responsibilities provided for the Towns Health Services Medical Director 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.

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 did not provide evidence that SUD Medical Directors develop and implement written policies and standards for the provider. Specifically:

- For FY 2019-20, the Plan did not provide evidence demonstrating that the Aegis and Baymark/MedMark Medical Directors developed and 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 Code of Conduct provided for the Towns Health Services and Baymark/Medmark Medical Directors is missing the following criteria:

- 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 3.1.2

Intergovernmental Agreement Exhibit A, Attachment I, II, E, 9, ii

- ii. The Contractor shall disseminate the guidelines to all affected providers and, upon request, to beneficiaries and potential beneficiaries.

Intergovernmental Agreement Exhibit A, Attachment I, II, H, 5, ii, a, iv

- ii. The arrangements or procedures shall include the following:
 - a. A compliance program that includes, at a minimum, all of the following elements:
 - iv. A system for training and education for the Compliance Officer, the organization's senior management, and the organization's employees for the Federal and state standards and requirements under this Agreement.

Findings: The Plan did not provide evidence that it disseminates practice guidelines to the following:

- All affected providers
- To beneficiaries, upon request
- To potential beneficiaries, upon request.

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 five (5) of 15 Plan and sub-contracted providers located inside and outside the County for DMC-ODS programmatic and/or fiscal requirements, and submitted 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 report is non-compliant:

- Open Providers Report

Category 4: ACCESS AND INFORMATION REQUIREMENTS

A review of the access and information requirements for the access line, language and format requirements and general information was conducted to ensure compliance with applicable regulations and standards. The following deficiency in access and information requirements was identified:

COMPLIANCE DEFICIENCY:

CD 4.1.1

Intergovernmental Agreement Exhibit A, Attachment I, III, JJ, 1

JJ. Subcontract Termination

1. The Contractor shall notify the Department of the termination of any subcontract with a certified provider, and the basis for termination of the subcontract, within two (2) business days. The Contractor shall submit the notification by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov.

Findings: The Plan did not provide evidence that it notifies DHCS via a secure, encrypted email to SUDCountyReports@dhcs.ca.gov regarding the basis for termination of any subcontract with a certified provider.

The Plan did not provide evidence that it notifies DHCS within two (2) business days when a certified provider's subcontract is terminated.

Category 6: PROGRAM INTEGRITY

A review of the compliance program, service verification, and fraud reporting was conducted to ensure compliance with applicable regulations and standards. The following deficiency in program integrity was identified:

COMPLIANCE DEFICIENCY:

CD 6.2.2

Intergovernmental Agreement Exhibit A, Attachment I, II, H, 5, ii, b & g

- ii. The arrangements or procedures shall include the following:
 - b. Provision for prompt reporting of all overpayments identified or recovered, specifying the overpayments due to potential fraud, to the Department.
 - g. Provision for the prompt referral of any potential fraud, waste, or abuse that the Contractor identifies to the Department Medicaid program integrity unit or any potential fraud directly to the State Medicaid Fraud Control Unit.

Intergovernmental Agreement Exhibit A, Attachment I, II, H, 5, v, c

- v. Treatment of recoveries made by the Contractor of overpayments to providers.
 - c. The Contractor shall annually report to the Department on their recoveries of overpayments.

MHSUDS Information Notice 19-022

Consistent with Exhibit A, Attachment I of the Intergovernmental Agreement (IA), DMC-ODS counties must submit a completed and signed certification statement on county letterhead to ODSSubmissions@dhcs.ca.gov. The certification is required with each submission of the following data, documentation, and information:

- Enrollee encounter data;
- Documentation to demonstrate compliance with DHCS' requirements for availability and accessibility of services, including the adequacy of the provider network;
- Information on ownership and control;
- Annual report of overpayment recoveries;
- Quarterly data submitted to DHCS on beneficiary grievance and appeals;
- Monthly American Society of Addiction Medicine Level of Care data; and
- Other data, information, or documentation related to the performance of the county's obligations as required by DHCS or the Secretary of Health and Human Services, and in the DMC-ODS IA.

The certification statement must be on county letterhead and conform to the following requirements:

- Indicate the current month during which all data, information, and documentation submitted to DHCS, as described above, is certified;
- Reference, with specificity, all types of data, information, and documentation described in the bulleted list above; and
- State that the data, information, and documentation to which the certification statement applies is "accurate, complete, and truthful" to the declarant's "best information, knowledge, and belief."

The Chief Executive Officer (CEO), the Chief Financial Officer (CFO), or an individual who reports to the CEO or CFO with the delegated authority to sign for the CEO or CFO, so that the CEO or CFO is

ultimately responsible for the certification, must sign the certification statement. The attached DMC-ODS County Certification template includes the requirements described above.

Findings: The Plan did not provide evidence demonstrating a completed and signed certification statement on County letterhead was sent with the data, documentation and information regarding the annual reporting of overpayment recoveries to DHCS.

TECHNICAL ASSISTANCE

San Joaquin County did not request technical assistance during this review.