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Department of Health Care Services



GAVIN NEWSOM  
GOVERNOR

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Sent via e-mail to: [anthony.jordan@santacruzcounty.us](mailto:anthony.jordan@santacruzcounty.us)

Anthony Jordan, Substance Use Disorder Services Director  
Santa Cruz County Behavioral Health  
1400 Emeline Avenue  
Santa Cruz, CA 95060

SUBJECT: Annual DMC-ODS County Compliance Unit Findings Report

Dear Director Jordan:

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 Santa Cruz 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 Santa Cruz County's State Fiscal Year 2021-22 DMC-ODS compliance review. The report identifies deficiencies, required corrective actions, new requirements, advisory recommendations, and referrals for technical assistance.

Santa Cruz 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 8/29/2022. 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, please contact me at [katrina.beedy@dhcs.ca.gov](mailto:katrina.beedy@dhcs.ca.gov).

Sincerely,

Katrina Beedy  
(916) 713-8811

Audits and Investigations Division  
Medical Review Branch  
Behavioral Health Compliance Section  
County Compliance Unit  
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Sacramento, CA 95814  
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Distribution:

To: Director Jordan,

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  
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Cybele Lolley, Santa Cruz County Quality Improvement Director  
Lisa Todd, Santa Cruz County Senior Departmental Administrative Analyst  
Emily Kenville, Santa Cruz County Accountant III  
Michelle Sapena, Santa Cruz County Departmental Administrative Analyst  
Sara Avila, Santa Cruz County Utilization Review Specialist-DMC ODS programs

## COUNTY REVIEW INFORMATION

**County:**

Santa Cruz County

**County Contact Name/Title:**

Cybele Lolley, Quality Improvement Director

**County Address:**

1400 Emeline Avenue, Santa Cruz, CA 95060

**County Phone Number/Email:**

831-454-4221

cybele.lolley@santacruzcounty.us

**Date of DMC-ODS Implementation:**

1/1/2018

**Date of Review:**

6/7/2022

**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. Fiscal Year (FY) 2021-22 Intergovernmental Agreement (IA)
  - c. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices
  - d. Behavioral Health Information Notices (BHIN)

## ENTRANCE AND EXIT CONFERENCE SUMMARIES

### **Entrance Conference:**

An Entrance Conference was conducted via WebEx on 6/7/2022. The following individuals were present:

- Representing DHCS:  
Katrina Beedy, Associate Governmental Program Analyst (AGPA)  
Ayesha Smith, Staff Services Manager II (SSM II)  
Cristina Whitlock, AGPA
- Representing Santa Cruz County:  
Anthony Jordan, Substance Use Disorder Services (SUDS) Director  
Casey Swank, SUDS Program Manager  
Cybele Lolley, Quality Improvement Director  
Lisa Todd, Senior Departmental Administrative Analyst  
Emily Kenville, Accountant III  
Michelle Sapena, Departmental Administrative Analyst  
Sara Avila, Utilization Review Specialist-DMC ODS programs  
Chris Duarte, Accountant II

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of review process
- Overview of services provided

### **Exit Conference:**

An Exit Conference was conducted via WebEx on 6/7/2022. The following individuals were present:

- Representing DHCS:  
Katrina Beedy, AGPA  
Ayesha Smith, SSM II  
Cristina Whitlock, AGPA  
Michael Ulibarri, Staff Services Manager 1 (SSM I)
- Representing Santa Cruz County:  
Anthony Jordan, Substance Use Disorder Services (SUDS) Director  
Casey Swank, SUDS Program Manager  
Cybele Lolley, Quality Improvement Director  
Lisa Todd, Senior Departmental Administrative Analyst  
Emily Kenville, Accountant III  
Michelle Sapena, Departmental Administrative Analyst  
Sara Avila, Utilization Review Specialist-DMC ODS programs  
Chris Duarte, Accountant II

During the Exit Conference, the following topics were discussed:

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

## SUMMARY OF FY 2021-22 COMPLIANCE DEFICIENCIES (CD)

<u>Section:</u>	<u>Number of CD's</u>
1.0 Availability of DMC-ODS Services	3
2.0 Coordination of Care	0
3.0 Quality Assurance and Performance Improvement	2
4.0 Access and Information Requirements	2
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 2021-22 CAP:

- a) DHCS' CAP Template used to document process.
- b) A list of action steps to be taken to correct the CD.
- c) The name of the person who will be responsible for corrections and ongoing compliance.
- d) Provide a specific description on how ongoing compliance is ensured
- e) A date of completion for each CD.

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 1.1.4:**

Intergovernmental Agreement Exhibit A, Attachment I, II, E, 1, iii, e-f

- iii. The Contractor shall comply with the following timely access requirements:
  - e. Monitor network providers regularly to determine compliance.
  - f. Take corrective action if there is a failure to comply by a network provider.

**Findings:** The Plan did not provide evidence demonstrating all network providers' compliance with timely access requirements. The Plan did not provide evidence of the following timely access requirement:

- Take corrective action if there is a failure to comply by a network provider.

#### **CD 1.4.8:**

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

- iv. Physicians shall receive a minimum of five hours of continuing medical education related to addiction medicine each year.

**Findings:** The Plan did not provide evidence demonstrating Santa Cruz County's physician received the annual five (5) hours of continuing medical education units in addiction medicine. Specifically:

- The Plan did not provide evidence of continuing medical education units for the County MD for calendar year 2019 or 2020.

The Plan did not provide evidence demonstrating the physician for the Janus NTP facility (444460), Dr. Morris, received the annual five (5) hours of continuing medical education in addiction medicine. Specifically:

- The Plan did not provide evidence of continuing medical education units for the Janus NTP MD for calendar year 2020.

**CD 1.4.9:**

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

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

**Findings:** The Plan did not provide evidence demonstrating Santa Cruz County's professional staff (LPHAs) received the annual five (5) hours of continuing education units in addiction medicine.

Specifically:

- The Plan did not provide evidence of continuing education units for Emily Sellers for calendar year 2019.

The Plan did not provide evidence demonstrating professional staff (LPHAs) at the Janus Perinatal Residential facility (444496) received the annual five (5) hours of continuing education in addiction medicine. Specifically:

- The Plan did not provide evidence of continuing medical education units for Dr. Jason Wasche for calendar year 2019.
- The continuing education units submitted for calendar year 2020 for Dr. Jason Wasche totaled three (3) hours.
- The continuing education units submitted for calendar year 2019 for Catherine Lomonosoff totaled one (1) hour.

The Plan did not provide evidence demonstrating the professional staff (LPHAs) at Sobriety Works (444586) received the annual five (5) hours of continuing education in addiction medicine.

Specifically:

- The continuing education units submitted for calendar year 2020 for Dr. James Spitler totaled one (1) hour.

## 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 3.2.4:**

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

- i. 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 did not provide evidence demonstrating the Code of Conduct for New Life Community Services' Medical Director, Dr. Steven Garner, includes all required elements. The following required elements are missing, specifically:

- Signed and dated by the physician;
- Signed and dated by a provider representative.

**CD 3.4.1:**

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.
  - 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.

**Findings:** The Plan’s Open Admissions report is not in compliance.

## 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 deficiencies in access and information requirements were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 4.1.1:**

##### Intergovernmental Agreement Exhibit A, Attachment I, III, II, 1

1. Contractor shall include instructions on record retention and include in any subcontract with providers the mandate to keep and maintain records for each service rendered, to whom it was rendered, and the date of service, pursuant to WIC 14124.1 and 42 CFR 438.3(h) and 438.3(u).

##### WIC 14124.1

Each provider, as defined in Section 14043.1, of health care services rendered under the Medi-Cal program or any other health care program administered by the department or its agents or contractors, shall keep and maintain records of each service rendered under the Medi-Cal program or any other health care program administered by the department or its agents or contractors, the beneficiary or person to whom rendered, the date the service was rendered, and any additional information as the department may by regulation require. Records required to be kept and maintained under this section shall be retained by the provider for a period of 10 years from the final date of the contract period between the plan and the provider, from the date of completion of any audit, or from the date the service was rendered, whichever is later, in accordance with Section 438.3(u) of Title 42 of the Code of Federal Regulations.

**Findings:** The County did not provide evidence demonstrating it includes instructions on record retention in any subcontract with providers mandating all providers to keep and maintain records for each service rendered, to whom it was rendered, and the date of service, pursuant to W&I Code, Section 14124.1.

**CD 4.2.2:**

Intergovernmental Agreement Exhibit A, Attachment I, III, F, 3, x

- x. Have a 24/7 toll free number for prospective beneficiaries to call to access DMC-ODS services and make oral interpretation services available for beneficiaries, as needed.

Intergovernmental Agreement Exhibit A, Attachment I, III, CC, 5

- 5. The QM Program shall conduct performance-monitoring activities throughout the Contractor's operations. These activities shall include, but not be limited to, beneficiary and system outcomes, utilization management, utilization review, provider appeals, credentialing and monitoring, and resolution of beneficiary grievances.

**Findings:** A minimum of two test calls were conducted for the Plan's 24/7 toll free number posted on the County's website. The responses to the test calls resulted in a barrier to access DMC-ODS services for prospective beneficiaries calling.

The test calls are summarized below:

Test Call 1: This call was determined to be in compliance. The call was conducted at approximately 1:50 pm on 5/11/2022. The County representative Eddie was friendly, responsive to all questions, and was proactive about providing resources and assistance.

Test Call 2: This call was determined to be out of compliance. The call was conducted at approximately 7:35 am on 5/12/2022. Although caller was quickly connected to a live representative, the representative could not provide any information or transfer the call upon request, even when caller indicated that it was important for client to receive services that day.

## 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 6.1.1:**

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

- c. Provision for prompt notification to the Department when it receives information about changes in a beneficiary's circumstances that may affect the beneficiary's eligibility including all of the following:
- i. Changes in the beneficiary's residence.
  - ii. The death of a beneficiary.

**Findings:** The Plan did not provide evidence demonstrating prompt notification to DHCS regarding changes to a beneficiary's circumstances that may affect eligibility, including:

- Changes in the beneficiary's residence.
- The death of a beneficiary.

## TECHNICAL ASSISTANCE

DHCS's County Compliance Unit Analyst will make referrals to the DHCS' CPOMB County Liaison for the technical assistance area identified below:

**Program Integrity:** Santa Cruz County seeks clarification on item 6.1.1 regarding DHCS's notification process regarding a change to beneficiary circumstances – death or change of county.