

DHCS AUDITS AND INVESTIGATIONS
CONTRACT AND ENROLLMENT REVIEW DIVISION
SUBSTANCE USE DISORDER REVIEW SECTION

**REPORT ON THE DRUG MEDI-CAL (DMC) STATE
PLAN REVIEW OF CALAVERAS
FISCAL YEAR 2025-26**

Contract Number(s): 23-30088

Contract Type: DMC State Plan Intergovernmental Agreement 2023-2027

Review Period: July 1, 2024 - June 30, 2025

Dates of Review: November 17 - November 18, 2025

Report Issued: January 23, 2026

TABLE OF CONTENTS

I.	INTRODUCTION.....	3
II.	EXECUTIVE SUMMARY	4
III.	SCOPE/REVIEW PROCEDURES	6
IV.	COMPLIANCE REVIEW FINDINGS	
	Category 3 – Quality Assurance and Performance Improvement	7
	Category 7 – Program Integrity.....	9

I. INTRODUCTION

Calaveras (County) is governed by a Board of Supervisors and contracts with the Department of Health Care Services (DHCS) for the purpose of providing Drug Medi-Cal (DMC) funded Substance Use Disorder (SUD) services to county residents.

Calaveras County is located on the eastern side of California's Central Valley. The County provides services within the unincorporated county and in six cities, Angels Camp, San Andreas, Murpheys, Copperopolis, Mokelumne Hill and Valley Springs.

II. EXECUTIVE SUMMARY

This report presents the findings of the DHCS review for the period of July 1, 2024, through June 30, 2025. The review was conducted from November 17, 2025, through November 18, 2025. The review consisted of a documentation review and interviews with the County's representatives.

An Exit Conference with the Plan was held on January 5, 2026. The County was allowed 15 calendar days from the date of the Exit Conference to provide supplemental information addressing the potential review findings. On January 20, 2026, the County did not submit any additional documentation after the Exit Conference. The evaluation results of the County's response are reflected in this report.

The review evaluated requirements from four (4) categories of performance: Availability of DMC Services, Quality Assurance and Performance Improvement, Beneficiary Rights and Protections, and Program Integrity.

The prior DHCS compliance report, covering the review period from July 1, 2023, through June 30, 2024, identified deficiencies incorporated in the Corrective Action Plan (CAP). The prior year CAPs were completely closed at the time of the review.

The summary of the findings by category follows:

Category 1 – Availability of DMC Services

There were no findings noted for this category during the review period.

Category 3 – Quality Assurance and Performance Improvement

During the monthly status check, the Contractor shall monitor for a triggering recertification event (including but not limited to; change in ownership, change in scope of services, remodeling of facility, or change in location) and report any triggering events to DHCS' Provider Enrollment Division at DHCSDMCRECERT@dhcs.ca.gov within five business days of notification or discovery. (DMC Contract, Exhibit A, Attachment I, Part I, Section 6 Monitoring, B, 2, b). Finding 3.1.2: The Plan did not provide evidence of a process to notify DHCS within five (5) business days of notification or discovery, regarding a triggering recertification event.

Written roles and responsibilities for the medical director shall be clearly documented, signed and dated by a program representative and physician. (Minimum Quality Drug Treatment Standards Document 2F(a), A, 5) (Cal. Code Regs., tit. 22, § 51341.1(b)(28)(A)(i-ii)). The Contractor's subcontracts shall require that providers comply with the following regulations and guidelines, including, but not limited to the Minimum Quality Drug Treatment Standards (Document 2F(a)). (DMC Contract, Exhibit A, Attachment I, Part I, Section 4 Drug Medi-Cal Certification and Provider Credentialing, A, 4, c). Finding 3.2.5: The Plan did not provide evidence that subcontractors' Medical Director written Roles and Responsibilities included all required elements. The following required element missing, specifically:

- The substance use disorder medical director may delegate his/her responsibilities to a physician consistent with the provider's medical policies and standards; however, the substance use disorder medical director shall remain responsible for ensuring all delegated duties are properly performed.

Category 6 – Beneficiary Rights and Protections

There were no findings noted for this category during the review period.

Category 7 – Program Integrity

The Contractor shall be responsible for investigating complaints and providing the results of all investigations to DHCS within two business days of completion. (DMC Contract, Exhibit A, Attachment I, Part I, Section 6 Monitoring, B, 3, d). Finding 7.1.3: The County did not provide evidence demonstrating that DHCS is provided with the results of all complaint investigations by secure, encrypted email within two business days of the investigation's completion.

Report suspected Medi-Cal Fraud online:

<https://www.dhcs.ca.gov/individuals/Pages/StopMedi-CalFraud.aspx>. By email:

Fraud@dhcs.ca.gov. By phone: 1-800-822-6222. (DMC Contract, Exhibit A, Attachment I,

Part I, Section 6 Monitoring, B, 3, a). Finding 7.2.1: The Plan did not provide evidence demonstrating compliance with reporting suspected Medi-Cal fraud, waste, or abuse to DHCS Medi-Cal Fraud at (800) 822-6222 or Fraud@dhcs.ca.gov.

III. SCOPE/REVIEW PROCEDURES

SCOPE

The DHCS, Contract and Enrollment Review Division conducted the review to ascertain that medically necessary services provided to County members comply with federal and state laws, regulations and guidelines, and the State's DMC Intergovernmental Agreement.

PROCEDURE

DHCS conducted a review of the Plan from November 17, 2025, through November 18, 2025, for the review period of July 1, 2024, through June 30, 2025. The review included an inspection of the Plan's policies for providing services, procedures to implement these policies, and the process to determine whether these policies were effective. Documents were reviewed and interviews conducted with County representatives.

POST REVIEW

Technical Assistance (TA) can be requested during the review. All DMC TA requests are forwarded to DHCS's Behavioral Health Oversight and Monitoring Division (BHOMD), County Liaison and Operations Support Section (CLOS) for resolution. The County did not request TA during the review.

Calaveras County is required to complete the CAP pursuant to DMC Intergovernmental Agreement Exhibit A, Attachment I, Part I, Section 6 Monitoring, B Contractor Monitoring, 6 to remedy findings noted within this report. The CAP process is managed by the BHOMD, County Compliance and Monitoring Section (CCMS), which will contact the County following report issuance.

COMPLIANCE REVIEW FINDINGS

Category 3 – Quality Assurance and Performance Improvement

3.1 Monitoring

3.1.2 Notification for Recertification Events

During the monthly status check, the Contractor shall monitor for a triggering recertification event (including but not limited to; change in ownership, change in scope of services, remodeling of facility, or change in location) and report any triggering events to DHCS' Provider Enrollment Division at DHCSDMCRECERT@dhcs.ca.gov within five business days of notification or discovery.

(DMC Contract, Exhibit A, Attachment I, Part I, Section 6 Monitoring, B, 2, b)

Finding: The Plan did not provide evidence of a process to notify DHCS within five (5) business days of notification or discovery, regarding a triggering recertification event.

3.2 Minimum Quality Drug Treatment Standards

3.2.5 Medical Director's Roles and Responsibilities

Written roles and responsibilities for the medical director shall be clearly documented, signed and dated by a program representative and physician.

(Minimum Quality Drug Treatment Standards Document 2F(a), A, 5)

(Cal. Code Regs., tit. 22, § 51341.1(b)(28)(A)(i-ii))

The Contractor's subcontracts shall require that providers comply with the following regulations and guidelines, including, but not limited to the Minimum Quality Drug Treatment Standards (Document 2F(a))

(DMC Contract, Exhibit A, Attachment I, Part I, Section 4 Drug Medi-Cal Certification and Provider Credentialing, A, 4, c)

Finding: The Plan did not provide evidence that subcontractors Medical Director written Roles and Responsibilities included all required elements. The following required element missing, specifically:

- The substance use disorder medical director may delegate his/her responsibilities to a physician consistent with the provider's medical policies and

standards; however, the substance use disorder medical director shall remain responsible for ensuring all delegated duties are properly performed.

COMPLIANCE REVIEW FINDINGS

Category 7 – Program Integrity

7.1 Compliance Program

7.1.3 Notification to DHCS Regarding Complaint Investigations

The Contractor shall be responsible for investigating complaints and providing the results of all investigations to DHCS within two business days of completion.

(DMC Contract, Exhibit A, Attachment I, Part I, Section 6 Monitoring, B, 3, d)

Finding: The County did not provide evidence demonstrating that DHCS is provided with the results of all complaint investigations by secure, encrypted email within two business days of the investigation's completion.

7.2 Fraud Reporting Requirements

7.2.2 Reporting Suspected Medi-Cal Fraud to DHCS

Report suspected Medi-Cal Fraud online:

<https://www.dhcs.ca.gov/individuals/Pages/StopMedi-CalFraud.aspx>

By email: fraud@dhcs.ca.gov

By phone: 1-800-822-6222

(DMC Contract, Exhibit A, Attachment I, Part I, Section 6 Monitoring, B, 3, a)

Finding: The Plan did not provide evidence demonstrating compliance with reporting suspected Medi-Cal fraud, waste, or abuse to DHCS Medi-Cal Fraud at (800) 822-6222 or Fraud@dhcs.ca.gov.