

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

**REPORT ON THE SUBSTANCE USE DISORDER
(SUD) AUDIT OF MARIN COUNTY
FISCAL YEAR 2025-26**

Contract Number: 24-40137

Contract Type: Drug Medi-Cal Organized Delivery System (DMC-ODS)

Audit Period: July 1, 2024 — December 31, 2024

Dates of Audit: January 13, 2026 — January 23, 2026

Report Issued: May 26, 2026

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I. INTRODUCTION

Marin County Behavioral Health (Plan) is governed by a Board of Supervisors and contracts with the Department of Health Care Services (DHCS) for the purpose of providing substance use disorder services to county residents.

Marin County is located in the northwestern part of the San Francisco Bay Area of California. The Plan provides services within the unincorporated county and in ten cities: San Rafael, Novato, Mill Valley, Larkspur, Tiburon, Belvedere, Corte Madera, Fairfax, San Anselmo, and Ross.

As of February 2025, the Plan had a total of 402 members receiving services and a total of 11 active providers.

II. EXECUTIVE SUMMARY

This report presents the audit findings of the DHCS audit for the period of July 1, 2024, through December 31, 2024. The audit was conducted from January 13, 2026, through January 23, 2026. The audit consisted of documentation review, verification studies, and interviews with the Plan's representatives.

An Exit Conference with the Plan was held on May 6, 2026. The Plan was allowed 15 calendar days from the date of the Exit Conference to provide supplemental information addressing the draft audit findings.

The audit evaluated six categories of performance: Availability of Drug Medi-Cal Organized Delivery System (DMC-ODS) Services, Quality Assurance and Performance Improvement, Access and Information Requirements, Coverage and Authorization of Services, Member Rights and Protection, 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's CAP was closed at the time of the audit. Therefore, this audit included a review of documents to determine the implementation and effectiveness of the Plan's corrective actions.

The summary of the findings by category follows:

Category 1 – Availability of Drug Medi-Cal Organized Delivery System Services

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

Category 3 – Quality Assurance and Performance Improvement

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

Category 4 – Access and Information Requirements

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

Category 5 – Coverage and Authorization of Services

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

Category 6 – Member Rights and Protection

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

Category 7 – Program Integrity

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

III. SCOPE/AUDIT PROCEDURES

SCOPE

The DHCS, Contract and Enrollment Review Division conducted the audit to ascertain that medically necessary services provided to Plan members comply with federal and state laws, Medi-Cal regulations and guidelines, and the State's DMC-ODS Contract.

PROCEDURE

DHCS conducted an audit of the Plan from January 13, 2026, through January 16, 2026, for the audit period of June 30, 2024, through December 31, 2024. The audit included a review 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 were conducted with the Plan's representatives.

The following verification studies were conducted:

Category 1 – Availability of Drug Medi-Cal Organized Delivery System Services

Mobile Crisis Services Encounters: Ten member samples were reviewed for evidence of documentation of standardized dispatch, assessment tools, and progress notes of crisis planning.

Category 3 – Quality Assurance and Performance Improvement

There were no verification studies conducted for the audit review.

Category 4 – Access and Information Requirements

There were no verification studies conducted for the audit review.

Category 5 – Coverage and Authorization of Services

There were no verification studies conducted for the audit review.

Category 6 – Member Rights and Protection

Grievance Procedures: Two grievances regarding the quality of services were reviewed for timely resolution, an appropriate response to the complainant, and submission to the appropriate level for review.

Category 7 – Program Integrity

There were no verification studies conducted for the audit review.