



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

May 23, 2018

Sent via e-mail to: Jacqueline.Connors@countyofnapa.org

Jacqueline Connors, LMFT, Deputy Director
Napa County Health and Human Services Agency
2751 Napa Valley Corporate Drive
Napa, CA 94558

SUBJECT: Fiscal Year (FY) 2017-18 – County Performance Unit Report

Dear Deputy Director Connors:

Enclosed are the results of Napa County's 2017-18 Substance Abuse (SA) Block Grant (BG)¹ State County Contract compliance review. The Department of Health Care Services (DHCS) is responsible for monitoring requirements of the SABG County Contract operated by Napa County.

The County Performance Unit (CPU) within the Performance & Integrity Branch (PIB) of DHCS performed a comprehensive review based on responses to the monitoring instrument, discussion with county staff, supporting documentation and requirements. The enclosed report addresses and/or identifies compliance deficiencies, required corrective actions, advisory recommendations, and referral for technical assistance.

Napa County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CPU Analyst by 6/21/2018. The CAP must follow the guidelines detailed within the attached report. Please reference the enclosed CAP instructions and e-mail the CAP to the CPU Analyst. Supporting CAP documentation may be e-mailed or mailed to the address listed below. If you have any questions regarding this report or need assistance, please contact the CPU analyst.

Sincerely,

Trang Huynh
(916) 327-2654
trang.huynh@dhcs.ca.gov

¹ Title 45 Code of Federal Regulations, Part 96, Subpart L – Substance Abuse Prevention and Treatment Block Grant requirements

Substance Use Disorder
Program, Policy and Fiscal Division
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Substance Abuse Block Grant
County Performance Unit Report
Napa County

Distribution:

To: Deputy Director Connors

CC: Tracie Walker, Performance & Integrity Branch, Branch Chief
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Danielle Stumpf, Office of Women, Perinatal and Youth Services Unit, Unit Supervisor
Vanessa Machado, Policy and Prevention Branch, Office Technician
Karen McElroy, Staff Services Analyst II, Napa County Health and Human Services

Date: May 23, 2018

Report Prepared by: *Trang Huynh, County Performance Analyst*
Manager Approval: *Susan Jones, County Performance Supervisor*

Lead CPU Analyst:
Trang Huynh

Review Date: 5/3/18 to 5/4/18

Assisting CPU Analyst(s):
N/A

Review Period: 2017-18

County: Napa

County Address:
2751 Napa Valley Corporate Drive
Napa, CA 94558

The Department of Health Care Services (DHCS) is required to provide programmatic, administrative, and fiscal oversight of the statewide Substance Abuse Prevention and Treatment Block Grant (SABG), the State County Contract, and Drug Medi-Cal (DMC) Substance Use Disorder (SUD) services through annual compliance reviews.

This report summarizes the findings of the compliance review conducted by the County Performance Unit (CPU).

REVIEW SCOPE

- I. Regulations:
 - a. 45 CFR; Part 96; Subpart L; §96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
 - b. 42 USC, Section 300x-21 through 300x-66: Substance Abuse Prevention and Treatment Block
 - c. HSC, Division 10.5, Section 11750 – 11970: State Department of Health Care

- II. Program Requirements:
 - a. State Fiscal Year (SFY) 2017-18 State County Contract, herein referred to as State County Contract
 - b. State of California *Youth Treatment Guidelines Revised August 2002*
 - c. DHCS *Perinatal Services Network Guidelines FY 2016-17*
 - d. National Culturally and Linguistically Appropriate Services (CLAS)
 - e. Alcohol and Drug Program (ADP) Bulletins
 - f. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices

CORRECTIVE ACTION PLAN

Pursuant to the State County Contract, Exhibit A, Attachment I, Part I, Section 3, 7, (a-d) each compliance deficiency (CD) and new requirement (NR) identified must be addressed via a Corrective Action Plan (CAP). The CAP is due within thirty (30) calendar days of the date of this monitoring report. Advisory recommendations are not required to be addressed in the CAP.

The CAP shall include:

- a) A statement of the compliance deficiency (CD) and new requirement (NR).
- b) A list of action steps to be taken to correct the CD/NR.
- c) A date of completion for each CD/NR.
- d) Who will be responsible for correction and ongoing compliance.

The CPU analyst will monitor progress of the CAP completion.

NEW REQUIREMENTS (NR)

Due to a delay in the SABG contract finalization, findings related to the standards and requirements will not be identified as a compliance deficiency; however, a plan to fulfil the new requirements must be submitted.

SUMMARY OF FY 2017-18 COMPLIANCE DEFICIENCIES (CD)

Section:	Number of CD's:
1.0 Administration	3
2.0 SABG Monitoring	0
3.0 Perinatal	0
4.0 Adolescent/Youth Treatment	0
5.0 Primary Prevention	0
6.0 Cultural Competence	0
7.0 CalOMS and DATAR	0
8.0 Privacy and Information Security	1

1.0 ADMINISTRATION

A review of the County's Organizational Chart, subcontracted contracts, and policies and procedures was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 1.4:

State County Contract, Exhibit A, Attachment I, Part II, E

None of the funds made available through this Contract may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

State County Contract Exhibit A, Attachment I, Part II, Y

Subcontract Provisions

Contractor shall include all of the foregoing provisions in all of its subcontracts

Finding: The County did not provide the SABG treatment provider contract that addresses compliance with the Limitation on Use of Funds for Promotion of Legalization of Controlled Substances.

CD 1.8:

State County Contract, Exhibit A, Attachment I, Part I, Section 3, C

Contractor shall comply with the sub-recipient pre-award risk assessment requirements contained in 2 CFR Part 200 Uniform Administration Requirements, Cost Principles and Audit Requirements for Federal Awards. Contractor, grant second-tier sub-recipient (subcontractors) annually prior to making an award. Contractor subcontractor and retain documentation for audit purposes.

Finding: The County did not conduct the 2017-18 annual pre-award risk assessment for each subcontractor prior to making an award.

CD 1.9:

State County Contract, Exhibit A, Attachment I, Part I, Section 3, C

Contractor shall comply with the sub-recipient pre-award risk assessment requirements contained in 2 CFR Part 200 Uniform Administration Requirements, Cost Principles and Audit Requirements for Federal Awards. Contractor, grant second-tier sub-recipient (subcontractors) annually prior to making an award. Contractor subcontractor and retain documentation for audit purposes.

Finding: The County did not provide a copy of a pre-award risk assessment.

NR 1.14:

State County Contract Exhibit A, Attachment I, Part I, Section 1, C, 5

Contractor and all its subcontractors shall comply with the Minimum Quality Drug treatment Standards for SABG for all Substance Use Disorder (SUD) treatment programs either partially or fully funded by SABG. The Minimum Quality Drug Treatment Standards for SABG are

attached to this Contract as Document 2F (b), incorporated by reference. The incorporation of any new Minimum Quality Drug Treatment Standards into this Contract shall not require a formal amendment.

Finding: According to the 2017-2020 State County Contract, programs are required to abide by the Minimum Quality Drug Treatment Standards, a component of the contract. Due to a delay in contract finalization, findings related to the standards will not be identified as a deficiency; however, a plan to fulfill the new requirements must be submitted. Also, the County will need to ensure monitoring is completed meeting these standards, and is included in the monitoring tool.

8.0 PRIVACY AND INFORMATION SECURITY

The following deficiency in Privacy and Information Security regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 8.49:

State-County Contract, Exhibit F, Attachment I, II, D

All electronic files that contain DHCS PHI or PI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, smartphones, backup tapes, etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.

Exhibit F, F-2, 3, B, 2

To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality and integrity of Department PI and PII, to protect against anticipated threats of hazards to the security or integrity of Department PI and PII, and to prevent use or disclosure of Department PI or PII other than as provided for by this Agreement. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.

Finding: The County did not provide a policy that addresses files containing DHCS PHI or PI stored on removable media or portable devices must be encrypted with a FIPS 140-2 certified algorithm which is 128bit or higher.

10.0 TECHNICAL ASSISTANCE

The County did not request any TA for FY 17-18.