

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

**REPORT ON THE SUBSTANCE USE DISORDER
(SUD) AUDIT OF SIERRA COUNTY
FISCAL YEAR 2024-25**

Contract Number(s): 23-30099

Contract Type: Drug Medi-Cal (DMC)

Audit Period: July 1, 2023 — June 30, 2024

Dates of Audit: March 11, 2025 — March 21, 2025

Report Issued: August 1, 2025

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I. INTRODUCTION

Sierra County 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.

Sierra County is located in the northern part of the state. The Plan provides services within the unincorporated county and in two cities: Loyalton and Downieville.

As of March 2025, the Plan had a total of 18 members receiving services and a total of 5 active providers.

II. EXECUTIVE SUMMARY

This report presents the audit findings of the DHCS audit for the period of July 1, 2023, through June 30, 2024. The audit was conducted from March 11, 2025, through March 21, 2025. The audit consisted of documentation review and interviews with the Plan's representatives.

An Exit Conference with the Plan was held on July 15, 2025. The Plan was allowed 15 calendar days from the date of the Exit Conference to provide supplemental information addressing the draft audit findings. On July 31, 2025, the Plan submitted a response after the Exit Conference. The evaluation results of the Plan's response are reflected in this report.

The audit evaluated three categories of performance: Availability of DMC Services, Access and Information Requirements, and Program Integrity.

The prior DHCS compliance report covered the review period from July 1, 2022, through June 30, 2023. The report did not have findings, and no resolution letter was sent. The current year's audit includes a review of documents to evaluate the Plan's compliance of meeting the regulations and contract requirements.

The summary of the findings by category follows:

Category 1 – Availability of DMC Services

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

Category 4 – Access and Information Requirements

The Plan is required to provide members who are blind or visually impaired, and other individuals with disabilities, with communication materials in the individuals' requested alternative formats. The Plan did not ensure communication materials are available to members in all alternative formats including braille.

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 Contract.

PROCEDURE

DHCS conducted an audit of the Plan from March 11, 2025, through March 21, 2025, for the audit period of July 1, 2023, through June 30, 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 Plan representatives.

No verification studies were conducted during the audit period.

COMPLIANCE AUDIT FINDINGS

CATEGORY 4 ACCESS AND INFORMATION REQUIREMENTS

4.1 Language and Format Requirements

4.1.1 Alternative Format Requirements

The Plan is required to provide a member who is blind or visually impaired, and other individuals with disabilities, with communication materials in the individuals' requested alternative format including large print, audio CD, data CD, and braille. (BHIN 24-007, Jan. 2024, p.2, 5)

The Plan policy SC4678 *Interpreter and Translation Services (effective 10/26/2023)* stated the Plan provides for the availability of communication materials in alternate formats using auxiliary aids, written and oral interpretation services. The policy describes a procedure for transcribing printed materials to braille when the specific need is established. The Plan will send an approved print request to the vendor for translation services to braille.

Finding: The Plan did not ensure communication materials are available to members in all alternative formats including braille.

The Plan policy SC 4678 indicated its responsibility to provide communication materials for the visually and hearing impaired when requested and included a general process to request materials in braille; however, the Plan did not have a vendor agreement to provide braille translation services during the audit period.

In an interview, the Plan acknowledged that it did not have the ability to access braille translation services if members request communication materials in braille. The Plan explained that it did not establish vendor agreements to process and obtain braille materials since there were no member requests for alternative format communication materials, in braille, received during the audit period.

When the Plan does not ensure communication materials are available in all required alternative formats, the ability for members who are blind, visually impaired or with other disabilities to receive information regarding medically necessary treatment services can be negatively impacted.

Recommendation: Develop and implement procedures to ensure members can access required communication materials in all alternative formats, including braille.