

DHCS AUDITS AND INVESTIGATIONS  
CONTRACT AND ENROLLMENT REVIEW DIVISION  
CENTRAL SECTION

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

Contract Number: 21-10029

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

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

Dates of Audit: June 17, 2025 — June 27, 2025

Report Issued: September 24, 2025

## TABLE OF CONTENTS

I.	INTRODUCTION .....	3
II.	EXECUTIVE SUMMARY .....	4
III.	SCOPE/AUDIT PROCEDURES .....	5

## I. INTRODUCTION

Kern County (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.

Kern County is located in Bakersfield, California, which is part of the San Joaquin Valley. The Plan provides services within eight cities and 26 unincorporated cities. The eight cities: Tehachapi, Lake Isabella, Mojave, Taft, Ridgecrest, Bakersfield, Lamont, and Wasco.

As of June 30, 2024, the Plan had a total of 1,116 members receiving services and a total of 190 active providers.

## II. EXECUTIVE SUMMARY

This report presents the audit findings of the Department of Health Care Services (DHCS) audit for the period of July 1, 2023, through June 30, 2024. The audit was conducted from June 17, 2025, through June 27, 2025. The audit consisted of documentation review, verification studies, and interviews with the Plan's representatives.

An Exit Conference with the Plan was held on September 4, 2025. No deficiencies were noted during the review of Drug Medi-Cal Organized Delivery System (DMC-ODS).

The audit evaluated four categories of performance: Availability of (DMC-ODS), Access and Information Requirements, Coverage and Authorization of Services, and Program Integrity.

The prior DHCS compliance report, covering the review period from July 1, 2022, through June 30, 2023, identified deficiencies incorporated in the Corrective Action Plan (CAP). The prior year CAP was closed at the time of the audit.

The summary of the findings by category follows:

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

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 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 June 17, 2025, through June 27, 2025, for the audit period of July 1, 2023, through June 30, 2024. The audit included a review of the Plan's Contract with DHCS, policies and procedures for providing services, procedures used to implement the policies, and verification studies of the implementation and effectiveness of the policies. Documents were reviewed and interviews were conducted with Plan representatives.

The following verification studies were conducted:

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

Six Provider contracts were reviewed for covered professional service agreements.

#### **Category 4 – Access and Information Requirements**

Ten Telehealth services were reviewed for telehealth consent and all required elements.

#### **Category 5 – Coverage and Authorization of Services**

There were no verification studies conducted for this audit.

#### **Category 7 – Program Integrity**

There were no verification studies conducted for this audit.