DHCS REPORT ON THE SPECIALTY MENTAL HEALTH SERVICES (SMHS) AUDIT OF:

Santa Cruz County Mental Health Plan

2024

DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

DEPARTMENT OF HEALTH CARE SERVICES
AUDITS AND INVESTIGATIONS
CONTRACT AND ENROLLMENT REVIEW DIVISION
BEHAVIORAL HEALTH REVIEW BRANCH

REPORT ON THE SPECIALTY MENTAL HEALTH SERVICES (SMHS) AUDIT OF

Santa Cruz County Mental Health Plan

2024

Contract Number:	22-20135
Audit Period:	July 1, 2022 through June 30, 2023
Dates of Audit:	May 14, 2024 through May 24, 2024
Report Issued:	September 6, 2024

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I. INTRODUCTION

Santa Cruz Behavioral Health (Plan) provides a variety of Specialty Mental Health Services (SMHS) for county residents. The Plan is governed by a Board of Supervisors and contracts with the Department of Health Care Services (DHCS) for the purpose of supporting the mental health needs of the community.

Santa Cruz County is located along the central coast of California. The county forms the northern coast of Monterey Bay. The county was established in 1850 and covers approximately 445.1 square miles. The Plan provides services in 10 cities: Santa Cruz, Watsonville, Aptos, Freedom, Ben Lomond, Boulder Creek, Capitola, Felton, Soquel, and Scotts Valley.

As of May 23, 2024, The Plan had 4,466 Medi-Cal beneficiaries receiving SMHS and had a total of 9 active providers.

II. EXECUTIVE SUMMARY

This report presents the audit findings of the DHCS SMHS audit for the period of July 1, 2022, through June 30, 2023. The audit was conducted from May 14, 2024, through May 24, 2024. The audit consisted of documentation review, verification studies, and interviews with the Plan's representatives.

An Exit Conference with the Plan was held on August 23,2024. The Plan was allowed 15 calendar days from the date of the Exit Conference to provide supplemental information addressing the draft audit findings. On September 5, 2024, the Plan submitted a response after the Exit Conference. The Plan's responses are reflected in this report.

The audit evaluated five categories of performance: Network Adequacy and Availability of Services, Care Coordination and Continuity of Care, Access and Information Requirements, Beneficiary Rights and Protection, and Program Integrity.

The prior DHCS triennial compliance review, (covering Fiscal Year 2017 through 2020), identified deficiencies incorporated in the Corrective Action Plan (CAP). This year's audit included a review of the Plan's compliance with its DHCS Contract and assessed its implementation of the prior year's CAP.

Findings denoted as repeat findings are uncorrected deficiencies substantially similar to those identified in the previous audit.

The summary of the findings by category follows:

Category 1 – Network Adequacy and Availability of Services

The Plan is required to provide necessary Therapeutic Foster Care (TFC) services for children and youth who meet beneficiary access criteria for SMHS. The Plan did not ensure the provision of TFC services through a network of appropriate TFC providers.

Category 2 – Care Coordination and Continuity of Care

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

Category 3 – Quality Assurance and Performance Improvement

Category 3 was not evaluated as part of this year's audit.

Category 4 – Access and Information Requirements

The Plan is required to provide a statewide, toll-free telephone number 24 hours a day, seven days per week, that provides information to beneficiaries about how to access SMHS. The Plan did not ensure its 24/7 toll-free telephone number system provided

required information for SMHS access or the beneficiary problem resolution and fair hearing processes.

Category 5 – Coverage and Authorization of Services

Category 5 was not evaluated as part of this year's audit.

Category 6 – Beneficiary 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 this audit of the Plan to ascertain that medically necessary services provided to beneficiaries comply with federal and state laws, Medi-Cal regulations and guidelines, and the state's SMH(S) Contract.

PROCEDURE

DHCS conducted and audit of the Plan from May 14, 2024, through May 24, 2024, for the audit period of July 1, 2022, through June 30, 2023. The audit included a review of the Plan's policies for providing services, the procedures used to implement the policies, and verification studies to determine the effectiveness of the policies. Documents were reviewed and interviews were conducted with Plan representatives.

The following verification studies were conducted:

Category 1 – Network Adequacy and Availability of Services

Intensive Care Coordination (ICC), Intensive Home-Based Services (IHBS), TFC Determination: Ten children and youth assessments were reviewed for criteria and service determination.

ICC/IHBS Provision of Services: Ten children and youth medical records were reviewed for the provision of ICC and IHBS services.

Category 2 – Care Coordination and Continuity of Care

Coordination of Care Referrals: Ten beneficiary files were reviewed for evidence of referrals from a Managed Care Plan (MCP) to the Mental Health Plan (MHP), initial assessments, and progress notes of treatment planning and follow-up care between the MCP and the MHP.

Category 4 – Access and Information Requirements

Access Line Test Calls: Five test calls requesting information about SMHS and how to treat an urgent condition were made to the Plan's statewide 24/7 toll-free number to confirm compliance with regulatory requirements; two test calls requesting information about the beneficiary problem resolution and fair hearing processes were made to the Plan's statewide 24/7 toll-free number to confirm compliance with regulatory requirements.

Access Line Test Call Log: The Plan's call log was reviewed to ensure all required log components were documented for five test calls made to the Plan.

Category 6 – Beneficiary Rights and Protection

Grievances Procedures: 15 grievances were reviewed for timely resolution, appropriate response to complainant, and submission to the appropriate level for review.

Appeal Procedures: Two appeals were reviewed for timely resolution, 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.

❖ COMPLIANCE AUDIT FINDINGS ❖

PLAN: SANTA CRUZ COUNTY MENTAL HEALTH PLAN

AUDIT PERIOD: July 1, 2022, through June 30, 2024
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CATEGORY 1 – NETWORK ADEQUACY AND AVAILABILITY OF SERVICES

1.2	Children's Services

1.2.1 Provision of Therapeutic Foster Care Services

The Plan is required to provide or arrange, and pay for, medically necessary covered SMHS to beneficiaries. *(Contract, Ex. A, Att. 2, §2(A)(13))*

The Plan must provide TFC services to all children and youth who meet criteria for beneficiary access to SMHS as medically necessary. *(Behavioral Health Information Notice (BHIN) 21-073, Criteria for Beneficiary Access to SMHS, Medical Necessity and other Coverage Requirements*; *Medi-Cal Manual for ICC, IHBS, and TFC Services for Medi-Cal Beneficiaries, (3rd ed., Jan. 2018), pp 34.)*

Plan policy *2434, Mental Health Plan Delivery of Intensive Support Services (ICC, IHBS, TFC)* (revised December 14, 2020) described the Plan's responsibility to identify, screen, assess, and provide children/youth who meet medical necessity criteria with ICC, IHBS, or TFC services. For children/youth who meet criteria for TFC, these services and interventions will be incorporated into the treatment plan with individualized strengths-based goals and objectives.

Finding: The Plan did not ensure the provision of TFC services to children and youth who met beneficiary access and medical necessity criteria for SMHS.

The Plan provided a written statement that they did not provide TFC services during the review period. In an interview, the Plan acknowledged that providing TFC services was a contractual requirement but that they faced challenges in acquiring a TFC contractor due to the rise in cost-of-living expenses and the lack of available TFC providers in the community.

The Plan submitted a recruitment flyer, interagency meeting minutes, e-mail correspondence, and a TFC service contract entered after the audit period to show they actively tried to recruit TFC providers.

Email correspondence between the Plan and a TFC provider showed that TFC services were available in January 2024; however, in May 2024, the TFC provider informed the Plan that they would not continue to participate in the program.

When the Plan does not provide TFC services to children and youth, it may cause delays in accessing needed medically necessary services. This may result in poor health outcomes for children and youth eligible for SMHS.

This is a Repeat Finding of the 2020-2021 Review – Network Adequacy and Availability of Services.

Recommendation: Implement policies and procedures to ensure TFC services are provided.

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CATEGORY 4 – ACCESS AND INFORMATION REQUIREMENTS

4.2	24/7 Access Line and Written Log of Requests for SMHS

4.2.1 SMHS Access Line Information

The Plan shall provide a statewide, toll-free telephone number 24 hours a day, seven days per week, that provides language capabilities in all languages spoken by beneficiaries of the county; provides information to beneficiaries about how to access SMHS, including SMHS required to assess whether medical necessity criteria are met; services needed to treat a beneficiary's urgent condition; and how to use the beneficiary problem resolution and fair hearing processes. *(California Code of Regulations (CCR), Tit. 9, Chap. 11, §1810.405(d) and §1810.410(e)(1))*

Plan policy *2102, Access Triage Screening and Assessment for MHP & DMC-ODS (revised January 1, 2023)* described the Plan's responsibility to provide a coordinated system of access, screening, and assessment for Medi-Cal beneficiaries. During business hours the Plan's Access Team members must provide information regarding mental health services, urgent care access, and the beneficiary problem resolution and appeal processes.

Finding: The Plan did not ensure its 24/7 Access Line provided required information on how to access SMHS, or information regarding beneficiary problem resolution and fair hearing processes.

The verification study identified three of five DHCS test calls in which the test caller was not provided information about how to obtain access to SMHS; and two of two test calls in which the caller was not provided information about the beneficiary problem resolution and fair hearing processes.

In an interview, the Plan stated that staff turnover and staffing shortages contributed to difficulties in fully implementing the Plan's 24/7 Access Line process. Staff answering the Access Line phone calls are instructed to collect caller information only and then transfer the calls to a licensed clinician for SMHS information. When clinicians are not available, callers will receive a call back within 24 hours. The Plan stated due to the high volume of calls clinicians are not always available, which contributes to callers not receiving needed SMHS information.

When the Plan does not provide information to beneficiaries about how to access SMHS, and the problem resolution processes, beneficiaries may not receive adequate

knowledge to make informed decisions. This can result in poor mental health outcomes due to missed or delayed access to necessary behavioral health services.

This is a repeat finding of the 2020-2021 audit finding – 24/7 Access Line Information.

Recommendation: Implement policies and procedures to ensure the Plan's 24/7 access line system provides required information regarding access to SMHS and the problem resolution and fair hearing processes.