



August 14, 2023

THIS LETTER SENT VIA EMAIL TO: khill@sierracounty.ca.gov

Ms. Kathryn Hill, Director
Sierra County Behavioral Health
704 Mill Street
Loyalton, CA 96118

SUBJECT: ANNUAL COUNTY COMPLIANCE SECTION DMC FINDINGS REPORT

Dear Director Hill:

The Department of Health Care Services (DHCS) is responsible for monitoring compliance to requirements of the Drug Medi-Cal (DMC) Contract operated by Sierra County.

The County Compliance Section (CCS) within Audits and Investigations (A&I) of DHCS conducted a review of the County's compliance with contract requirements based on responses to the monitoring protocol, discussion with County staff, and supporting documentation provided by the County. Enclosed are the results of Sierra County's Fiscal Year (FY) 2022-23 DMC compliance review. The report identifies deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

Sierra County is required to submit a Corrective Action Plan (CAP) addressing each compliance deficiency (CD) to the Medi-Cal Behavioral Health – Oversight and Monitoring Division (MCBH-OMD), County/Provider Operations and Monitoring Branch (CPOMB) Liaison by 10/16/2023. Please use the enclosed CAP form to submit the completed CAP and supporting documentation via the MOVEit Secure Managed File Transfer System. For instructions on how to submit to the correct MOVEit folder, email MCBHOmdMonitoring@dhcs.ca.gov.

If you have any questions, please contact me at becky.counter@dhcs.ca.gov.

Sincerely,

Becky Counter | Analyst

Distribution:

To: Director Hill,

Cc: Mateo Hernandez, Audits and Investigations, Contract and Enrollment Review Division Chief
Catherine Hicks, Audits and Investigations, Behavioral Health Compliance Branch Chief
Ayesha Smith, Audits and Investigations, County Compliance Section Chief
Michael Bivians, Audits and Investigations, County Compliance Monitoring II Chief
Cindy Berger, Audits and Investigations, Provider Compliance Section Chief
Sergio Lopez, County/Provider Operations and Monitoring Section I Chief
Tony Nguyen, County/Provider Operations and Monitoring Section II Chief
MCBHOMDMonitoring@dhcs.ca.gov, County/Provider Operations and Monitoring Branch
Robert Szopa, Sierra County SUD Program Manager
Madera Schwary, Sierra County Health Assistant

COUNTY REVIEW INFORMATION

County:

Sierra

County Contact Name/Title:

Kathryn Hill, Behavioral Health Director

County Address:

704 Mill Street
Loyalton, CA 96118

County Phone Number/Email:

(530) 993-6746
khill@sieracounty.ca.gov

Date of Review:

6/29/2023

Lead CCM Analyst:

Becky Counter

Assisting CCM Analyst:

N/A

Report Prepared by:

Becky Counter

Report Approved by:

Ayesha Smith

REVIEW SCOPE

- I. Regulations:
 - a. California Code of Regulations, Title 22, section 51341.1, 51490.1 and 51516.1 – Drug Medi-Cal Substance Use Disorder Services
 - b. California Code of Regulations, Title 9, Division 4: Department of Alcohol and Drug Programs
 - c. Health and Safety Code, Division 10.5, Section 11750 – 11970: Alcohol and Drug Programs
 - d. Welfare and Institutions Code, Division 9, Part 3, Chapter 7, Sections 14000, et seq.; 14100.2, 14021, 14021.51-14021.53, 14021.6, and 14124.20-14124.25, 14184.402, 14059.5: Basic Health Care – Drug Medi-Cal Treatment Program

- II. Program Requirements:
 - a. Fiscal Year (FY) 2021-22 State-County Contract, herein referred to as State County Contract
 - b. Fiscal Year (FY) 2022-23 State-County Contract, herein referred to as State County Contract
 - c. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices
 - d. Behavioral Health Information Notices (BHIN)

ENTRANCE AND EXIT CONFERENCE SUMMARIES

Entrance Conference:

An Entrance Conference was conducted via WebEx on 6/29/2023. The following individuals were present:

- Representing DHCS:
Becky Counter, County Compliance Monitoring II (CCM II) Analyst
Imani Dunlap, County/Provider Operations Monitoring Branch (CPOMB) Analyst
- Representing Sierra County:
Kathryn Hill, Behavioral Health Director
Robert Szopa, SUD Program Manager
Madera Schwary, Health Assistant

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of review process
- Sierra County overview of services provided

Exit Conference:

An Exit Conference was conducted via WebEx on 6/29/2023. The following individuals were present:

- Representing DHCS:
Becky Counter, CCM II Analyst
Imani Dunlap, CPOMB Analyst
- Representing Sierra County:
Kathryn Hill, Behavioral Health Director
Robert Szopa, SUD Program Manager
Madera Schwary, Health Assistant

During the Exit Conference, the following topics were discussed:

- Submitting follow-up evidence
- Due date for evidence submission

SUMMARY OF FY 2022-23 COMPLIANCE DEFICIENCIES (CD)

<u>Section</u>	<u>Number of CDs</u>
1.0 Administration	4
2.0 Program Integrity	2
3.0 Perinatal Practice Guidelines	0
4.0 Youth Services	0
5.0 Reporting Requirements	1

Category 1: ADMINISTRATION

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

COMPLIANCE DEFICIENCIES:

CD 1.1:

DMC Contract, Exhibit A, Attachment I A1, Part I, Section 3, A, 1 a-f

A. Covered Services

1. Contractor shall establish assessment and referral procedures and shall arrange, provide, or subcontract for covered services in the Contractor's service area.
Covered services include:
 - a) Outpatient Treatment Services
 - b) Narcotic Treatment Program Services
 - c) Intensive Outpatient Treatment Services
 - d) Perinatal Residential Substance Use Disorder Treatment Services (excluding room and board)
 - e) Medication Assisted Treatment (MAT)
 - f) Peer Support Services (if Contractor has opted in to provide Peer Support Services)

MHSUDS Information Notice No: 18-009

The DMC contract between the Department and a contracting county specifies that the contracting county "shall establish assessment and referral procedures and shall arrange, provide, or subcontract for covered services in the Contractor's service area." (See Fiscal Year 2017-2020 DMC Contract, Exhibit A, Attachment I, Part I, Section 2, Subsection A, Paragraph 1.) The contract goes on to define "covered services" to include the following:

- a) Outpatient drug-free treatment;
- b) Narcotic replacement therapy;
- c) Naltrexone treatment;
- d) Intensive Outpatient Treatment; and
- e) Perinatal Residential Substance Abuse Services (excluding room and board).

(DMC Contract, Exhibit A, Attachment I, Part I, Section 2, Subsection A, Paragraph 1)
The contract further requires that a contracting county "maintain continuous availability and accessibility of covered services and facilities, service sites, and personnel to provide the covered services." (DMC Contract, Exhibit A, Attachment I, Part I, Section 2, Subsection B, Paragraph 1.) These services must be provided to Medi-Cal beneficiaries with reasonable promptness, may not be limited due to budgetary constraints, and must be provided to requesting beneficiaries without regard to the county of residence (DMC

Contract, Exhibit A, Attachment I, Part I, Section 2, Subsection B, Paragraphs 1 and 2.). A referral to a non-contracting provider or to another county without an appropriate funding agreement does not fulfill a county's contractual obligation to arrange, provide or subcontract for DMC services.

Findings: The County did not provide evidence of compliance demonstrating how the County arranges, provides, or subcontracts for the following DMC Services:

- Medication Assisted Treatment (MAT)

CD 1.2:

DMC Contract, Exhibit A, Attachment I A1, Part I, Section 3, B, 2

2. The Contractor shall amend its subcontracts for covered services in order to provide sufficient funds to match allowable Federal Medicaid reimbursements for any increase in DMC services to beneficiaries.

Findings: The County did not provide evidence of compliance demonstrating how it amends subcontracts for covered services in order to provide sufficient funds to match allowable Federal Medicaid reimbursements for any increase in DMC services to beneficiaries.

CD 1.5:

DMC Contract, Exhibit A, Attachment I A1, Part I, Section 1

Title 22 Section 51341.1 (h)(6)(B)(i)(a-d)

(B) The provider shall complete a discharge summary, for any beneficiary with whom the provider lost contact, in accordance with all of the following requirements:

- (i) For outpatient drug free, day care habilitative, perinatal residential, and Naltrexone treatment services, the provider shall complete the discharge summary within thirty (30) calendar days of the date of the provider's last face-to-face treatment contact with the beneficiary. The discharge summary shall include all of the following:
 - (a) The duration of the beneficiary's treatment as determined by the dates of admission to and discharge from treatment.
 - (b) The reason for discharge.
 - (c) A narrative summary of the treatment episode.
 - (d) The beneficiary's prognosis.

Findings: The County did not provide evidence of compliance demonstrating it meets discharge summary requirements for beneficiaries enrolled in outpatient drug free, day care habilitative, perinatal residential, and Naltrexone treatment services with whom the provider lost contact. Specifically, the evidence does not include the following requirement:

- 30-day timeline (completed within 30 days of the date of the provider's last face-to-face treatment contact with the beneficiary).

CD 1.7

DMC Contract, Exhibit A, Attachment I A1, Part I, Section 3, A, 2, a-c

2. Medi-Cal Substance Use Disorder (SUD) treatment services for beneficiaries under age 21
 - a) The EPSDT mandate entitles beneficiaries under the age of 21 to all appropriate and medically necessary services coverable under a Medicaid State Plan (as described in 42 U.S.C. § 1396d(a)) that are needed to correct or ameliorate discovered health conditions, regardless of whether those services are covered in the state's Medicaid State Plan.
 - b) Under the EPSDT mandate and in accordance with BHIN 22-003, the Contractor shall provide all SUD treatment services that are coverable under 42 U.S.C. § 1396d(a) whether or not it is covered under the Medicaid State Plan, including but not limited to covered DMC and Drug Medi-Cal – Organized Delivery Services (DMC-ODS) (referred to as Expanded SUD Treatment Services in the State Plan). The array of SUD treatment services covered in the State Plan are described in the “Substance Use Disorder Treatment Services” and the “Expanded Substance Use Disorder Treatment Services” sections of Supplement 3 to Attachment 3.1-A in the Medi-Cal State Plan.
 - c) The Contractor shall provide screening and early intervention services to beneficiaries under the age of 21 at risk of developing an SUD regardless of whether they meet diagnosis criteria for a behavioral health disorder. Any beneficiary under the age of 21 who is screened and determined to be at risk of developing an SUD may receive any service component covered under the outpatient level of care as early intervention services. A diagnosis from the Diagnostic and Statistical Manual or International Classification of Diseases, Tenth Edition (ICD-10) for Substance-Related and Addictive Disorders is not required for early intervention services. Early intervention services are provided under the outpatient treatment modality and must be made available by counties based on individual clinical need, even if the beneficiary under age 21 is not participating in the full array of outpatient treatment services.

BHIN 22-003

Findings: The County did not provide evidence of compliance demonstrating the availability of the following early intervention services (outpatient services) to beneficiaries under the age of 21 at risk of developing an SUD, regardless of whether they meet diagnosis criteria for a behavioral health disorder (BHIN 21-051 and 22-003), specifically:

- Screening
- Group Counseling

- Individual Counseling
- Patient Education

The County did not provide evidence of compliance demonstrating it makes available all SUD treatment services that are coverable under 42 U.S.C. § 1396d(a)), whether or not it is covered under the Medicaid State Plan, including but not limited to covered DMC and Drug Medi-Cal – Organized Delivery Services.

Category 2: PROGRAM INTEGRITY

A review of the County's program integrity was conducted to ensure compliance with applicable regulations, and standards. The following DMC deficiencies in regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 2.1:

DMC Contract, Exhibit A, Attachment IA 1, Part III, B

The Contractor and subcontractors that provide DMC services shall be responsible for verifying the Medi-Cal eligibility of each beneficiary for each month of service prior to billing for DMC services to that beneficiary for that month. Medi-Cal eligibility verification shall be performed prior to rendering service, in accordance with and as described in DHCS' DMC Provider Billing Manual. Options for verifying the eligibility of a Medi-Cal beneficiary are described in the DHCS' DMC Provider Billing Manual.

Findings: The County did not provide evidence of compliance demonstrating that Medi-Cal eligibility verification is:

- Performed at the subcontractor level.

CD 2.2:

DMC Contract, Exhibit A, Attachment I A1, Part I, Section 3, A, 9-10

9. The Contractor is financially responsible for all covered services provided to beneficiaries that reside in the Contractor's county.
10. The Contractor shall accept claims from any DMC enrolled provider, regardless of the location of the provider, for any covered services provided to beneficiaries residing in the Contractor's county. The Contractor shall reimburse the provider through a contract or other agreement.

Findings: The County did not provide evidence of compliance demonstrating it accepts claims from any DMC enrolled provider, regardless of the location of the provider, for any covered services provided to beneficiaries residing in the Contractor's county.

The County did not provide evidence of compliance demonstrating it reimburses providers for claims through a contract or other agreement.

Category 5: REPORTING REQUIREMENTS

A review of the County's reporting requirements was conducted to ensure compliance with applicable regulations, and standards. The following DMC deficiency in regulations, standards, or protocol requirements was identified:

COMPLIANCE DEFICIENCY:

CD 5.1:

DMC Contract, Exhibit A, Attachment I A1, Part III; C, 3-6

3. Electronic submission of CalOMS-Tx data shall be submitted by the Contractor within 45 days from the end of the last day of the report month.
4. The Contractor shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (Document 3J) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS-Tx data collection.
5. The Contractor shall submit CalOMS-Tx admission, discharge, annual update, resubmissions of records containing errors or in need of correction, and "provider no activity" report records in an electronic format approved by DHCS.
6. The Contractor shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS identified in Document 3S for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method.

Findings: The County's Open Admissions Report is out of compliance.

TECHNICAL ASSISTANCE

Sierra County did not request technical assistance during this review.