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Department of Health Care Services



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GOVERNOR

June 14, 2018

Sent via e-mail to: Nathan.hobbs2@acgov.org

Nathan Hobbs, LCSW, Interim AOD Program Administrator  
Alameda County Behavioral Health Care Services  
2000 Embarcadero  
Oakland, CA 94606

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

Dear Interim AOD Program Administrator Hobbs:

Enclosed are the results of Alameda County's 2017-18 Substance Abuse (SA) Block Grant (BG)<sup>1</sup>, and the State Plan Drug Medi-Cal (DMC) Contract compliance review. The Department of Health Care Services (DHCS) is responsible for monitoring requirements of the SABG and the terms of the State Plan DMC Contract operated by Alameda 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.

Alameda County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CPU Analyst by 7/16/2018. 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,

Cassandra Queen  
(916) 713-8568  
cassandra.queen@dhcs.ca.gov

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



Substance Abuse Block Grant and Drug Medi-Cal  
**County Performance Unit Report**  
Alameda County

Distribution:

To: Interim AOD Program Administrator Hobbs:

CC: Tracie Walker, Performance & Integrity Branch, Branch Chief  
Denise Galvez, Policy and Prevention Branch, Section Chief  
Janet Rudnick, Utilization Review Section, Section Chief  
Cynthia Hudgins, Quality Monitoring Section, Section Chief  
Susan Jones, County Performance Unit, Unit Supervisor  
Tianna Hammock, Drug Medi-Cal Monitoring Unit I, Unit Supervisor  
Stephanie Quok, Drug Medi-Cal Monitoring Unit II, Unit Supervisor  
Tiffany Stover, Postservice Postpayment Unit I, Unit Supervisor  
Eric Painter, Postservice Postpayment Unit II, Unit Supervisor  
Danielle Stumpf, Office of Women, Perinatal and Youth Services Unit, Unit Supervisor  
Vanessa Machado, Policy and Prevention Branch, Office Technician  
Marlisa Davis, MPA, Program Specialist, Alameda County Behavioral Health

Date: June 14, 2018

Report Prepared by: *Cassandra Queen, County Performance Analyst*  
Manager Approval: *Susan Jones, County Performance Supervisor*

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**Lead CPU Analyst:**  
Cassandra Queen

**Review Date:** March 2018

**Assisting CPU Analyst(s):**

**Review Period:** 2017-18

**County:** Alameda

**County Address:**  
2000 Embarcadero  
Oakland, CA 94606

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. 22 CCR § 51341.1 – Drug Medi-Cal Substance Use Disorder Services
  - b. 45 CFR; Part 96; Subpart L; §96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
  - c. 42 USC, Section 300x-21 through 300x-66: Substance Abuse Prevention and Treatment Block
  - d. 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)**

<b>Section:</b>	<b>Number of CD's:</b>
<b>1.0 Administration</b>	<b>2</b>
<b>2.0 SABG Monitoring</b>	<b>1</b>
<b>3.0 Perinatal</b>	<b>0</b>
<b>4.0 Adolescent/Youth Treatment</b>	<b>0</b>
<b>5.0 Primary Prevention</b>	<b>0</b>
<b>6.0 Cultural Competence</b>	<b>0</b>
<b>7.0 CalOMS and DATAR</b>	<b>3</b>
<b>8.0 Privacy and Information Security</b>	<b>3</b>
<b>9.0 Drug Medi-Cal (DMC)</b>	<b>4</b>

### PREVIOUS CAPs

During the FY 2017-18 review, the following CAP(s) with CD(s) were discussed and are still outstanding.

#### **2016-17:**

CD 11.78: The County did not demonstrate a process in place for reporting breached or security incidents that include:

- Notifying DHCS immediately by telephone, e-mail, or fax
- Notifying DHCS within 24 hours of a suspected security incident
- Utilizing Privacy Security Incident Report form
- Submitting Privacy Incident Report form within 72 hours

Please provide the following within the completed 2017-18 CAP.

- a) A list of action steps to be taken to correct the CD.
- b) A date of completion for each CD.
- c) Who will be responsible for correction and ongoing compliance.

## 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 1.8:**

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 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 1.10**

State County Contract, Exhibit A, Attachment I, Part III, F  
*Contractor shall document the total number of referrals necessitated by religious objection to other alternative SUD providers. The Contractor shall annually submit this information to DHCS' Program Support and Grants Management Branch by e-mail at CharitableChoice@dhcs.ca.gov by October. The annual submission shall contain all substantive information required by DHCS and be formatted in a manner prescribed by DHCS.*

**Finding:** The County did not submit the total number of referrals necessitated by religious objection to DHCS Program Support and Grants Management Branch by October.

**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. Minimum Quality Treatment Standards will need to be incorporated into the County's monitoring tool.



## 2.0 SABG MONITORING

The following deficiencies in the SABG monitoring requirements were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 2.21:**

State-County Contract Exhibit A, Attachment I, Part I, Section 3, A, 1, e  
*Whether the Contractor conducted annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. Contractor shall submit copy of its monitoring and audit reports to DHCS within two weeks of issuance. Reports should be sent by secure, encrypted email to:*  
[SUDCountyReports@dhcs.ca.gov](mailto:SUDCountyReports@dhcs.ca.gov) or  
*Substance Use Disorder-Program, Policy, and Fiscal Division Performance Management Branch  
Department of Health Care Services  
PO Box 997413, MS-2627  
Sacramento, CA 95899-7413*

**Finding:** The County did not submit all required SABG monitoring and auditing reports for FY 16-17 to DHCS within two weeks of report issuance.

## 7.0 CALIFORNIA OUTCOMES MEASUREMENT SYSTEM TREATMENT (CalOMS Tx) AND DRUG AND ALCOHOL TREATMENT ACCESS REPORT (DATAR)

The following deficiencies in CalOMS and DATAR regulations, standards, or protocol requirements were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 7.41.a:**

State-County Contract, Exhibit A, Attachment I, Part III, B, 3, 5, 6 and D, 3

*B(3) Electronic submission of CalOMS-Tx data shall be submitted by Contractor within 45 days from the end of the last day of the report month.*

*B(5) Contractor shall submit CalOMS-Tx admissions, 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.*

*B(6) Contractor shall comply with the CalOMsTx 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.*

*D(3) Contractor shall comply with the treatment and prevention data quality standards established by DHCS. Failure to meet these standards on an ongoing basis may result in withholding SABG funds.*

**Finding:** The County and its providers did not report any CalOMS Tx data, and did not generate a Provider No Activity (PNA) report.

#### **CD 7.41.b:**

State-County Contract, Exhibit A, Attachment I, Part III, B, 3, 5, 6 and D, 3

*B(3) Electronic submission of CalOMS-Tx data shall be submitted by Contractor within 45 days from the end of the last day of the report month.*

*B(5) Contractor shall submit CalOMS-Tx admissions, 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.*

*B(6) Contractor shall comply with the CalOMsTx 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.*

*D(3) Contractor shall comply with the treatment and prevention data quality standards established by DHCS. Failure to meet these standards on an ongoing basis may result in withholding SABG funds.*

**Finding:** The County and its provider's annual updates or client discharges for beneficiaries in treatment over one year were not submitted.

#### **CD 7.41.c:**

State-County Contract, Exhibit A, Attachment I, Part III, E, 1 & 2

*E(1) The Contractor shall be responsible for ensuring that the Contractor-operated treatment services and all treatment providers, with whom Contractor makes a contract or otherwise*

*pays for these services, submit a monthly DATAR report in an electronic copy format as provided by DHCS.*

*E(2) The Contractor shall ensure that all DATAR reports are submitted by either Contractor-operated treatment services and by each subcontracted treatment provider to DHCS by the 10<sup>th</sup> of the month following the report activity month.*

**Finding:** The County and its providers do not submit DATAR reports by the 10<sup>th</sup> of each month.

## 8.0 PRIVACY AND INFORMATION SECURITY

The following deficiencies 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 does not protect DHCS PHI or PI, stored on removable media or portable devices, with a FIPS 140-2 certified algorithm which is 128bit or higher.

#### **CD 8.56:**

##### State-County Contract, Exhibit F, Attachment I, Section I, D

*Background Check. Before a member of the workforce may access Department PHI or PI, a background screening of that worker must be conducted. The screening should be commensurate with the risk and magnitude of harm the employee could cause, with more thorough screening being done for those employees who are authorized to bypass significant technical and operational security controls. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years.*

##### State-County Contract, Exhibit F, F-2, 3, B, 2

*Safeguards. 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 or 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 currently in place to determine employee eligibility to access PHI or PI.

**CD 8.57:**

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

*Warning Banners. All systems providing access to Department PHI or PI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.*

**Finding:** The County and subcontractors did not provide evidence indicating a warning banner is operational on all systems providing access to PHI or PI.

## 9.0 DRUG MEDI-CAL

The following DMC deficiencies in regulations, standards, or protocol requirements were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 9.62:**

State Plan DMC Contract, Exhibit A, Attachment I, Part II, N

*Information Access for Individuals with Limited English Proficiency*

1. Contractor shall comply with all applicable provisions of the Dymally-Alatorre Bilingual Services Act (Government Code sections 7290-7299.8) regarding access to materials that explain services available to the public as well as providing language interpretation services.
2. Contractor shall comply with the applicable provisions of Section 1557 of the Affordable Care Act (45 CFR Part 92), including, but not limited to, 45 CFR 92.201, when providing access to:

- a) Materials explaining services available to the public
- b) Language assistance
- c) Language interpreter and translation services
- d) Video remote language interpreting services

Exhibit A, Attachment I, Part II, O

*O. Subcontract Provisions*

*Contractor shall include the foregoing Part II general provisions in all of its subcontracts.*

**Finding:** The County did not provide the DMC provider contract that addresses compliance with Information Access for Individuals with Limited English.

#### **CD 9.66:**

State Plan DMC Contract, Exhibit A, Attachment I, Part I, Section 4, B, 1, b

*Contractor shall conduct, at least annually, an audit of DMC providers to assure covered services are being appropriately rendered. The annual audit must include an on-site visit of the service provider.*

*Reports of the annual review shall be provided to DHCS's Performance Management Branch at: Substance Use Disorders Program, Policy and Fiscal Division, Performance Management Branch*

*Department of Health Care Services*

*PO Box 997413, MS-2621*

*Sacramento, CA 95899-7413:*

*Or by secure, encrypted email to: SUDCountyReports@dhcs.ca.gov*

*Review reports shall be provided to DHCS within 2 weeks of completion by the Contractor.*

**Finding:** The County did not submit DMC monitoring reports securely to DHCS within two weeks of completion.

**CD 9.77:**

State Plan DMC Contract, Exhibit A, Attach I, Part I, Section 3, A, 5

*Contractor shall notify Provider Enrollment Division (PED) of an addition or change of information in a provider's pending DMC certification application within 35 days of receiving notification from the provider. The Contractor must ensure that a new DMC certification application is submitted to PED reflecting the change.*

**Finding:** The County does not meet the following requirement(s):

- notify the Provider Enrollment Division (PED) of an addition or change of information in a provider's pending DMC certification application.
- notification must be made within 35-days of receiving notification from the provider.
- a new DMC certification application is submitted to PED reflecting the change.

**CD 9.81:**

State Plan DMC Contract, Exhibit A, Attachment I, Part I, Section 2, B, 2

*Covered services, whether provided directly by the Contractor or through subcontractors with DMC certified and enrolled programs, shall be provided to beneficiaries without regard to the beneficiaries' county of residence.*

**Finding:** The County does not meet the *county of residence* requirement; covered services shall be provided to beneficiaries without regard to the beneficiaries' county of residence.

## 10.0 TECHNICAL ASSISTANCE

The County did not request any technical assistance during this review.