



JENNIFER KENT  
DIRECTOR

State of California—Health and Human Services Agency  
Department of Health Care Services



EDMUND G. BROWN JR.  
GOVERNOR

June 18, 2018

Sent via e-mail to: [phebe.bell@co.nevada.ca.us](mailto:phebe.bell@co.nevada.ca.us)

Phebe Bell, Interim Director  
Nevada County Behavioral Health  
500 Crown Point Circle, Ste. 120  
Grass Valley, CA 95945

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

Dear Interim Director Bell:

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

Nevada County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CPU Analyst by 7/18/2018. 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](mailto: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

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Substance Use Disorder  
Program, Policy and Fiscal Division  
County Performance Unit  
P.O. Box 997413, MS 2627  
Sacramento, CA 95814  
<http://www.dhcs.ca.gov>



**Substance Abuse Block Grant**  
County Performance Unit Report  
Nevada County

Distribution:

To: Interim Director Bell

CC: Tracie Walker, Performance & Integrity Branch, Branch Chief  
Denise Galvez, Policy and Prevention Branch, Section Chief  
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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  
Nicole Ebrahimi-Nuyken, AOD Program Manager, Nevada County Behavioral Health

Date: June 18, 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:** 5/2/18

**Assisting CPU Analyst(s):**  
N/A

**Review Period:** 2017-18

**County:** Nevada

**County Address:**  
500 Crown Point Circle, Suite 120  
Grass Valley, CA 95945

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. 45 CFR; Part 96; Subpart L; §96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
  - b. 42 USC, Section 300x-21 through 300x-66: Substance Abuse Prevention and Treatment Block
  - c. 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>

## 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 pre-award 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.

## 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’s 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 providers 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 8.53:**

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

*All users must be issued a unique username for accessing DHCS PHI or PII. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within 24 hours.*

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 current policy ensuring all county and subcontracted employee usernames are promptly disabled, deleted, or the password changed upon the transfer or termination of an employee, within 24 hours.

#### **CD 8.55:**

State-County Contract, Exhibit F, Attachment I, I, B

*Employee Discipline. Appropriate sanctions must be applied against workforce members who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.*

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 pertaining to disciplinary sanctions and penalties for employees whom breach confidentiality and privacy safeguards as established in State-County Contract provisions.

**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.

## 10.0 TECHNICAL ASSISTANCE

Nevada County did not request technical assistance.