



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

June 22, 2017

Sent via e-mail to: rdegette@stanbhrs.org

Rick DeGette, MA MFT, Director
Stanislaus County Behavioral Health & Recovery Services
800 Scenic Drive
Modesto, CA 95350-6131

SUBJECT: State Fiscal Year (SFY) 2016-17 - County Monitoring Unit Report

Dear Director DeGette:

Enclosed are the results of Stanislaus County's 2016-17 Substance Abuse Prevention and Treatment (SAPT) Block Grant (BG)¹, and the State County Contract compliance review. The Department of Health Care Services (DHCS) is responsible for monitoring requirements of the SAPT BG and the terms of the State County Contract operated by Stanislaus County.

The County Monitoring Unit (CMU) within the Performance Management Branch (PMB) 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.

Stanislaus County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CMU Analyst by July 25, 2017. The CAP must follow the guidelines detailed within the attached report. Please reference the enclosed CAP instructions and e-mail the CAP to the CMU 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 CMU analyst.

Sincerely,

Angela Duhart
CMU Analyst
(916) 327-2661
Angela.Duhart@dhcs.ca.gov

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



County Monitoring Unit Report
Stanislaus County

Distribution:

To: Rick DeGette, MA MFT, Director, Stanislaus County Behavioral Health & Recovery Services

CC: Victoria King-Watson, Substance Use Disorder Program, Policy and Fiscal Division, Assistant Division Chief
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Date: June 23, 2017

Report Prepared by: *Angela Duhart, County Monitoring Analyst*
Manager Approval: *Susan Jones, County Monitoring Supervisor*

Lead CMU Analyst:
Angela Duhart

Review Date: April 2017

Assisting CMU Analyst(s):
N/A

Review Period: SFY 2016-17

County: Stanislaus

County Address:
800 Scenic Drive
Modesto, CA 95350-6131

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 (SAPT BG), 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 Monitoring Unit (CMU).

CORRECTIVE ACTION PLAN

Pursuant to the State County Contract, Exhibit A, Attachment I, Part V, Section 4, 7, (a-b) each deficiency 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 Corrective Action Plan shall:

1. Address each programmatic deficiency;
2. Provide a specific description of how the deficiency will be corrected;
3. Identify the staff person responsible for correcting the deficiency and ensuring future compliance;
4. Specify the target date for complete implementation of each deficiency; and
5. As deficiencies are corrected, include training documentation, revised policies/procedures, and other materials which demonstrate the correction of a deficiency, if applicable.

The CMU analyst will monitor progress of CAP implementation until complete.

REVIEW SCOPE

- I. Regulations:
 - a. 22 CCR § 51341.1 – Drug Medi-Cal Substance Use Disorder Services
 - b. 9 CCR, Division 4, Chapter 4, Subchapter 1 – 6: Narcotic Treatment Programs
 - c. 45 CFR; Part 96; Subpart L; §96.121 through 96.137: Substance Abuse Prevention and Treatment Block Grant
 - d. 42 USC, Section 300x-21 through 300x-66: Substance Abuse Prevention and Treatment Block
 - e. HSC, Division 10.5, Section 11750 – 11970: State Department of Health Care

- II. Program Requirements:
 - a. State Fiscal Year (SFY) 14/15 - 16/17 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

1.0 ADMINISTRATION

After review of the program's protocols, policies and procedures, no deficiencies were cited.

2.0 SAPT BG MONITORING

The following deficiencies in the SAPT BG monitoring requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 2.18

State County Contract Exhibit A, Attachment I, Part IV, Section 3, A, 1, (a-e)

Contractor's performance under this Exhibit A, Attachment I A2, Part IV, shall be monitored by the State during the term of this Contract. Monitoring criteria shall include, but not be limited to:

- (a) Whether the quantity of work or services being performed conforms to Exhibit B A2;*
- (b) Whether the Contractor has established and is monitoring appropriate quality standards;*
- (c) Whether the Contractor is abiding by all the terms and requirements of this Contract;*
- (d) Whether the Contractor is abiding by the terms of the Perinatal Services Network Guidelines (Document 1G); and*
- (e) Contractor shall conduct annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements.*

Contractor shall submit copy of their monitoring and audit reports to DHCS within two weeks of issuance. Reports should be sent by secure, encrypted e-mail to:

sudcountyreports@dhcs.ca.gov; or

*Substance Use Disorder - Prevention, Treatment and Recovery Services
Division, Performance Management Branch, Department of Health Care Services,
PO Box 997413, MS-2627
Sacramento, CA 95899-7413*

Finding: The County did not have all the SAPT BG program requirements within their monitoring tool. The following criteria are missing:

- Charitable Choice
- Intravenous Drug User Services
- Americans with Disabilities Act
- Trafficking Victims Protection Act of 2000
- Fiscal Requirements

3.0 DRUG MEDI-CAL

After review of the program's protocols, policies and procedures, no deficiencies were cited.

4.0 PERINATAL

After review of the program's protocols, policies and procedures, no deficiencies were cited

5.0 ADOLESCENT/YOUTH TREATMENT (AYT)

After review of the program's protocols, policies and procedures, no deficiencies were cited.

6.0 FISCAL AUDITING

After review of the program's protocols, policies and procedures, no deficiencies were cited.

7.0 PRIMARY PREVENTION

After review of the program's protocols, policies and procedures, no deficiencies were cited.

8.0 CULTURAL COMPETENCE

After review of the program's protocols, policies and procedures, no deficiencies were cited.

9.0 ELECTRONIC HEALTH RECORDS (EHR)

After review of the program's protocols, policies and procedures, no deficiencies were cited.

10.0 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 10.57.b:

State County Contract, Exhibit A, Attachment I, Part III, F, (3)

Contractor shall comply with the treatment and prevention data quality standards established by the State. Failure to meet these standards on an ongoing basis may result in withholding non-DMC funds.

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

11.0 PRIVACY AND INFORMATION SECURITY

The following deficiencies in Privacy and Information Security regulations, standards, or protocol requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 11.75:

State County Contract, Exhibit G-1, 7, a-b

a. As required by HIPAA, the HITECH Act and the HIPAA regulations, including 45 CFR Sections 164.308 and 164.314, Contractor shall incorporate, when applicable, the relevant provisions of this Exhibit G-1 into each subcontract or subaward to such agents, subcontractors and vendors, including the requirement that any security incidents or breaches of unsecured PHI be reported to Contractor.

b. In accordance with 45 CFR Section 164.504(e)(1)(ii), upon Contractor's knowledge of a material breach or violation by its subcontractor of the agreement between Contractor and the subcontractor, Contractor shall:

- i) Provide an opportunity for the subcontractor to cure the breach or end the violation and terminate the agreement if the subcontractor does not cure the breach or end the violation within the time specified by the Department; or*
- ii) Immediately terminate the agreement if the subcontractor has breached.*

Finding: The County does not include a section, within subcontracts, that addresses compliance with security incidents or breaches of unsecured PHI.

CD 11.78:

State County Contract, Exhibit G-1,13 (a-c)

Exhibit G-2, 9 (a-c)

Breaches and Security Incidents. During the term of this Agreement, Contractor agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:

- a. **Initial Notice to the Department.** (1) To notify the Department immediately by telephone call or email or fax upon the discovery of a breach of unsecured PHI in electronic media or in any other media if the PHI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person. (2) To notify the Department within 24 hours (one hour if SSA data) by email or fax of the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI in violation of this Agreement or this ExhibitG-1, or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Contractor as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Contractor. Notice shall be provided to the Information Protection Unit, Office of HIPAA Compliance. If the incident occurs after business hours or on a weekend or holiday and involves electronic PHI, notice shall be provided by calling the Information Protection Unit (916.445.4646, 866-866-0602) or by emailing (privacyofficer@dhcs.ca.gov). Notice shall be made using the DHCS "Privacy Incident Report" form, including all information known at the time. Contractor shall use the most current version of this form, which is posted on the*

DHCS information Security Officer website (www.dhca.ca.gov, then select “Privacy” in the left column and then “Business Partner” near the middle of the page) or use this link [Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of Department PHI, Contractor shall take:](#)

- i) Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
 - ii) Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- a. **Investigation and Investigation Report.** To immediately investigate such suspected security incident, security incident, breach, or unauthorized access, use or disclosure of PHI. Within 72 hours of the discovery, Contractor shall submit an updated “Privacy Incident Report” containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time, to the Information Protection Unit.
- b. **Complete Report.** To provide a complete report of the investigation to the Department Program Contract Manager and the Information Protection Unit within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall be submitted on the “Privacy Incident Report” form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred under applicable provisions of HIPAA, the HITECH Act, and the HIPAA regulations. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If the Department requests information in addition to that listed on the “Privacy Incident Report” form, Contractor shall make reasonable efforts to provide the Department with such information. If, because of the circumstances of the incident, Contractor needs more than ten (10) working days from the discovery to submit a complete report, the Department may grant a reasonable extension of time, in which case Contractor shall submit periodic updates until the complete report is submitted. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated “Privacy Incident Report” form. The Department will review and approve the determination of whether a breach occurred and whether individual notifications and a corrective action plan are required.

Finding: 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
- Providing a complete report within 10 working days of breach or disclosure

12.0 TECHNICAL ASSISTANCE

Stanislaus County did not request any technical assistance for fiscal year 2016-17.