



JENNIFER KENT
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

March 11, 2019

Sent via e-mail to: Nohara@co.sutter.ca.us

Nancy O'Hara, MPA, Director
Sutter and Yuba Behavioral Health Services
446 Second Street
Yuba City, CA 95991

SUBJECT: Annual County Performance Unit Report

Dear Director O'Hara:

The Department of Health Care Services (DHCS) is responsible for monitoring compliance to requirements of the Substance Abuse Block Grant (SABG) and the terms of the State Plan Drug Medi-Cal (DMC) Contract operated by Sutter-Yuba County.

The County Performance Unit (CPU) within the Substance Use Disorder Program, Policy, and Fiscal Division (SUDPPFD) of DHCS conducted a review of the County's compliance with contract requirements based on responses to the monitoring instrument, discussion with county staff, and supporting documentation provided by the County.

Enclosed are the results of Sutter-Yuba County's 2018-19 SABG and State Plan DMC Contract compliance review. The report identifies deficiencies, required corrective actions, new requirements, and referrals for technical assistance.

Sutter-Yuba County is required to submit a Corrective Action Plan (CAP) addressing each deficiency noted to the CPU Analyst by 4/12/2019. Please follow the enclosed instructions when completing the CAP. Supporting CAP documentation may be e-mailed to the CPU analyst or mailed to the address listed below.

If you have any questions regarding this report or need assistance, please contact me.

Sincerely,

Trang Huynh
(916) 713-8570
trang.huynh@dhcs.ca.gov

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>

Distribution:

To: Director O'Hara

CC: Tracie Walker, Performance & Integrity Branch, Chief
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Susan Jones, County Performance, Supervisor
Tianna Hammock, Drug Medi-Cal Monitoring Unit I, Supervisor
Stephanie Quok, Drug Medi-Cal Monitoring Unit II, Supervisor
Tiffany Stover, Postservice Postpayment Unit I, Supervisor
Eric Painter, Postservice Postpayment Unit II, Supervisor
Vanessa Machado, Policy and Prevention Branch, Office Technician
Myia McClendon, Sutter Yuba County, Program Manager

Lead CPU Analyst: Trang Huynh	Date of Review: 1/22/2019 - 1/22/2019
Assisting CPU Analyst(s): N/A	
County: Sutter Yuba	County Address: 1965 Live Oak Blvd, Yuba City
County Contact Name/Title: Myia McClendon, Program Manager	County Phone Number/Email: 530-822-7200 ext. 2235 mmclendon@co.sutter.ca.us
Report Prepared by: Trang Huynh	Report Approved by: Susan Jones

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) 2018-19 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 SFY 2016-17*
 - d. National Culturally and Linguistically Appropriate Services (CLAS)
 - e. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices

ENTRANCE AND EXIT CONFERENCE SUMMARIES

Entrance Conference:

An entrance conference was conducted at 1965 Live Oak Blvd, Yuba City on 1/22/2019. The following individuals were present:

- Representing DHCS:
Trang Huynh, AGPA
Traci Johnson, AGPA
Crystal Sanchez, SSM I
Monica Zendejas, AGPA
- Representing Sutter-Yuba County:
Myia McClendon, Program Manager
Judith Guthrie, Interim Program Manager
Tammy Quinn, Prevention Services Coordinator
Mark Schlutsmeier, Adult Services Branch Director
John Floe, Public Health Program Manager
Leah Northrop, Public Health Branch Director

During the Entrance Conference the following topics were discussed:

- Introductions
- Overview of monitoring purpose and process
- County system of service overview

Exit Conference:

An exit conference was conducted at 1965 Live Oak Blvd, Yuba City on 1/22/2019. The following individuals were present:

- Representing DHCS:
Trang Huynh, AGPA
Traci Johnson, AGPA
Crystal Sanchez, SSM I
Monica Zendejas, AGPA
- Representing Sutter-Yuba County:
Mark Schlutsmeier, Adult Services Branch Director
Judith Guthrie, Interim Program Manager
Tammie Quinn, Prevention Services Coordinator

During the Exit Conference the following topics were discussed:

- Review of compliance deficiencies and new requirements

CORRECTIVE ACTION PLAN

Pursuant to the State County Contract, Exhibit A, Attachment I A1, 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.

Please provide the following within the completed 2018-19 CAP.

- a) A statement of the CD/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) Individual 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 DMC contract finalization, findings related to Section 9 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 2018-19 COMPLIANCE DEFICIENCIES / NEW REQUIREMENTS

Section:	Number of CD's/NR's:
1.0 Administration	1
2.0 SABG Monitoring	3
3.0 Perinatal	1
4.0 Adolescent/Youth Treatment	0
5.0 Primary Prevention	0
6.0 Cultural Competence	0
7.0 CalOMS and DATAR	1
8.0 Privacy and Information Security	1
9.0 Drug Medi-Cal (DMC)	10

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 1.5:

SABG State-County Contract Exhibit A, Attachment I AI, Part II, B
Hatch Act: Contractor agrees to comply with the provisions of the Hatch Act (Title 5 USC, Sections 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

SABG State-County Contract Exhibit A, Attachment I AI, Part II, Y
Subcontract Provisions: Contractor shall include all of the foregoing Part II general provisions in all of its subcontracts.

Finding: The County did not demonstrate County and subcontractor staff compliance with the Hatch Act.

2.0 SABG MONITORING

The following deficiencies in the SABG monitoring requirements were identified:

COMPLIANCE DEFICIENCIES:

CD 2.9:

SABG State-County Contract Exhibit A, Attachment I A1, Part I, Section 3, A, 1, (e)
Contractor's performance under this Exhibit A, Attachment I, Part I, shall be monitored by DHCS during the term of this Contract. Monitoring criteria shall include, but not be limited to:

- 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 shall be sent by secure, encrypted email to:
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 monitor its own prevention and treatment programs for SABG program and fiscal requirements.

CD 2.10:

SABG State-County Contract Exhibit A, Attachment I A1, Part I, Section 3, A, 1 (a-e)
Contractor's performance under this Exhibit A, Attachment I, Part I, shall be monitored by DHCS 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.*
- 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 Practice Guidelines (Document 1G).*
- 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 shall be sent by secure, encrypted email to:
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 have criteria for Primary Prevention services in their monitoring tool.

CD 2.12:

SABG State-County Contract Exhibit A, Attachment 1 A1, Part 1, Section 1, C, 1
Performance under the terms of this Exhibit A, Attachment I, Part I, is subject to all applicable federal and state laws, regulations, and standards. In accepting DHCS drug and alcohol SABG allocation pursuant to HSC Sections 11814(a) and (b), Contractor shall:

- (i) establish, and shall require its subcontractors to establish, written policies and procedures consistent with the control requirements set forth below;*
- (ii) monitor for compliance with the written procedures; and*
- (iii) be accountable for audit exceptions taken by DHCS against the Contractor and its subcontractors for any failure to comply with these requirements:*
 - a. HSC, Division 10.5, Part 2 commencing with Section 11760.*
 - b. Title 9, California Code of Regulations (CCR) (herein referred to as Title 9), Division 4, commencing with Section 9000.*
 - c. Government Code, Title 2, Division 4, Part 2, Chapter 2, Article 1.7.*
 - d. Government Code, Article 7, Federally Mandated Audits of Block Grant Funds Allocated to Local Agencies, Chapter 1, Part 1, Division 2, Title 5, commencing at Section 53130.*
 - e. Title 42 United State Code (USC), Sections 300x-21 through 300x-31, 300x-34, 300x-53, 300x-57, and 330x-64 through 66.*
 - f. Title 2, CFR 200 -The Uniform Administration Requirements, Cost Principles and Audit Requirements for Federal Awards.*
 - g. Title 45, Code of Federal Regulations (CFR), Sections 96.30 through 96.33 and Sections 96.120 through 96.137.*
 - h. Title 42, CFR, Sections 8.1 through 8.6.*
 - i. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).*
 - j. Title 21, CFR, Sections 1301.01 through 1301.93, Department of Justice, Controlled Substances.*
 - k. State Administrative Manual (SAM), Chapter 7200 (General Outline of Procedures). Contractor shall be familiar with the above laws, regulations, and guidelines and shall assure that its subcontractors are also familiar with such requirements.*

Finding: The County did not provide evidence that subcontractors are required to develop written policies and procedures to ensure compliance with the above regulations.

3.0 PERINATAL

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

COMPLIANCE DEFICIENCIES:

CD 3.19:

45 CFR Section 96.127(a)(3)(i), 45 CFR Section 96.127(a)(3)(i-ii)

Requirements regarding tuberculosis.

(a) States shall require any entity receiving amounts from the grant for operating a program of treatment for substance abuse to follow procedures developed by the principal agency of a State for substance abuse, in consultation with the State Medical Director for Substance Abuse Services, and in cooperation with the State Department of Health/Tuberculosis Control Officer, which address how the program -

(3) Will implement infection control procedures established by the principal agency of a State for substance abuse, in cooperation with the State Department of Health/Tuberculosis Control Officer, which are designed to prevent the transmission of tuberculosis, including the following:

(i) Screening of patients;

(ii) Identification of those individuals who are at high risk of becoming infected;

Finding: The County did not provide evidence to ensure subcontractors are screening pregnant and parenting women for TB or identify those at high risk of being infected.

**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 7.34.b:

SABG State-County Contract, Exhibit A, Attachment I A1, Part III, B, 3, 5, 6

- (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.*
- (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.*
- (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.*

SABG State-County Contract, Exhibit A, Attachment I A1, Part III, D, 6

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 open admission report is not current.

8.0 PRIVACY AND INFORMATION SECURITY

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

COMPLIANCE DEFICIENCIES:

CD 8.41:

ADP Bulletin 10-01

2. *Counties maintain an Electronic Signature Agreement (Exhibit 1) for the terms of use of an electronic signature signed by both the individual requesting electronic signature authorization and the County Alcohol and Drug Program Administrator or his/her designee.*
3. *County Alcohol and Drug Program Administrators complete a County Alcohol and Drug Program Administrator's Electronic Signature Certification form (Exhibit 2), certifying that electronic systems used by the county's alcohol and drug operations, including contract provider systems, meet the standards..*

Finding: The County does not maintain a County Alcohol and Drug Program Administrator's Electronic Signature Certification form and signed Electronic Signature Agreement for each electronic signature used.

9.0 DRUG MEDI-CAL

The following new requirements for DMC regulations, standards, and protocol requirements were identified:

NEW REQUIREMENTS:

NR 9.44: State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 2, A, 1, a-e
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 drug-free treatment*
- b) *Narcotic replacement therapy*
- c) *Naltrexone treatment*
- d) *Intensive Outpatient Treatment*
- e) *Perinatal Residential Substance Abuse Services (excluding room and board)*

MHSUDS Information Notice No: 18-009

Finding: The County must provide the following covered services:

- Naltrexone treatment

NR 9.45:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 2, A, 1, a-e
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 drug-free treatment*
- b) *Narcotic replacement therapy*
- c) *Naltrexone treatment*
- d) *Intensive Outpatient Treatment*
- e) *Perinatal Residential Substance Abuse Services (excluding room and board)*

Finding: The County must develop assessment and referral procedures for Naltrexone treatment services.

NR 9.46:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 1, B
It is further agreed this Contract is controlled by applicable provisions of: (a) the W&I Code, Chapter 7, Sections 14000, et seq., in particular, but not limited to, Sections 14100.2, 14021, 14021.5, 14021.6, 14043, et seq., (b) Title 22, including but not limited to Sections 51490.1, 51341.1 and 51516.1; and (c) Division 4 of Title 9 of the California Code of Regulations (hereinafter referred to as Title 9).

§ 51341.1 (d) (5) (A-D)

Naltrexone treatment services shall only be provided to a beneficiary who meets all of the following conditions:

- (A) *Has a confirmed, documented history of opiate addiction.*
- (B) *Is at least (18) years of age.*

- (C) Is opiate free.
- (D) Is not pregnant.

Finding: The County must comply with the following requirements for Naltrexone treatment:

- Has a confirmed, documented history of opiate addiction
- Is at least (18) years of age
- Is opiate free
- Is not pregnant

NR 9.47:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 4, B, 1, a
Program Integrity: Contractor is responsible for ensuring program integrity of its services and its subcontracted providers through a system of oversight, which shall include at least the following:

- a .*Compliance with state and federal law and regulations, including, but not limited to, , 42 CFR 433.51, 42 CFR 431.800 et. seq., 42 CFR 440.230, 42 CFR 440.260, 42 CFR 455 et. seq., 42 CFR 456 et. seq., 42 CFR 456.23, 22 CCR 51490, 22 CCR 51490.1, , 22 CCR 51159, WIC 14124.1, WIC 14124.2, 42 CFR 438.320, 42 CFR 438.416, 42 CFR 438.10, and 42 CFR 438.206.*

Finding: The County must develop a monitoring process for DMC program requirements

NR 9.48:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 3, A, 4, c
Contractor shall require all the subcontracted providers of services to be licensed, registered, DMC certified and/or approved in accordance with applicable laws and regulations. The Contractor's subcontracts shall require that providers comply with the following regulations and guidelines:

Minimum Quality Treatment Standards, Document 2F(a)

Finding: The County must ensure all SUD treatment programs comply with the Minimum Quality Drug Treatment Standards 2F(a) for DMC.

NR 9.58:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 4, B, 1, e
Contractor shall certify the DMC claims submitted to DHCS represent expenditures eligible for FFP and attest that the submitted claims have been subject to review and verification process for accuracy and legitimacy (42 CFR 430.30, 433.32, and 433.51). Contractor shall not knowingly submit claims for services rendered to any beneficiary after the beneficiary's date of death, or from uncertified or decertified providers.

Finding: The County must review and verify that claims submitted were accurate and legitimate.

NR 9.59:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 4, B, 3, b
During the monthly status check, the Contractor shall monitor for a triggering recertification event (change in ownership, change in scope of services, remodeling of facility, or change in

location) and report any triggering events to DHCS' Statewide Planning Unit, Master Provider File Team at DHCSMPF@dhcs.ca.gov within two business days of notification or discovery.

Finding: The County must develop a process to notify the DHCS Master Provider File Team within two business days of notification or discovery of subcontractors' contract termination.

NR 9.64:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 2, B, 1, b
Contractor shall authorize residential services in accordance with the medical necessity criteria specified in Title 22, Section 51303 and the coverage provisions of the approved state Medi-Cal Plan. Room and board are not reimbursable DMC services. If services are denied, the provider shall inform the beneficiary in accordance with Title 22, Section 51341.1 (p).

Finding: The County must ensure subcontractors are in compliance with the following requirements before authorizing residential services:

- Must be documented in beneficiary record
- Physician shall determine whether SUD services are medically necessary based on Title 22, Section 51303

NR 9.65:

State Plan DMC Contract, Exhibit A, Attachment I A1, Part I, Section 1, B

It is further agreed this Contract is controlled by applicable provisions of: (a) the W&I Code, Chapter 7, Sections 14000, et seq., in particular, but not limited to, Sections 14100.2, 14021, 14021.5, 14021.6, 14043, et seq., (b) Title 22, including but not limited to Sections 51490.1, 51341.1 and 51516.1; and (c) Division 4 of Title 9 of the California Code of Regulations (hereinafter referred to as Title 9).

§ 51341.1 (b) (28) (i) (f) (ii)

...The substance use disorder medical director's responsibilities shall at a minimum include all of the following:

- (a) Ensure that medical care provided by physicians, registered nurse practitioners, and physician assistants meets the applicable standard of care.*
- (b) Ensure that physicians do not delegate their duties to non-physician personnel.*
- (c) Develop and implement medical policies and standards for the provider.*
- (d) Ensure that physicians, registered nurse practitioners, and physician assistants follow the provider's medical policies and standards...*

Finding: The County must ensure that all DMC programs have medical policies and standards developed and approved by the program medical director.

10.0 TECHNICAL ASSISTANCE

DHCS's County Performance Analyst will make referrals for the training and/or technical assistance identified below.

Drug Medi-Cal: The County requested TA for DMC. DHCS's Drug Medi-Cal Unit has been contacted and a referral has been made.