DHCS AUDITS AND INVESTIGATIONS

CONTRACT AND ENROLLMENT REVIEW DIVISION

SANTA ANA SECTION

REPORT ON THE SUBSTANCE USE DISORDER (SUD) AUDIT OF IMPERIAL COUNTY FISCAL YEAR 2024-25

Contract Number: 20-10177

Contract Type: Drug Medi-Cal Organized Delivery System (DMC-ODS)

Audit Period: July 1, 2023 — June 30, 2024

Dates of Audit: May 5, 2025 — May 16, 2025

Report Issued: October 14, 2025

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I. INTRODUCTION

Imperial County Behavioral Health Services (Plan) is governed by a Board of Supervisors and contracts with the Department of Health Care Services (DHCS) for the purpose of providing substance use disorder services to county residents.

Imperial County is in the far southeast of California, bordering both Arizona and Mexico. The Plan provides services within the unincorporated county and in four cities: Brawley, Calexico, El Centro, and Winterhaven.

As of June 2024, the Plan had a total of 771 members receiving Drug Medi-Cal Organized Delivery System (DMC-ODS) Services and a total of 103 active providers.

II. EXECUTIVE SUMMARY

This report presents the audit findings of the DHCS audit for the period of July 1, 2023, through June 30, 2024. The audit was conducted from May 5, 2025, through May 16, 2025. The audit consisted of documentation review, verification studies, and interviews with the Plan's representatives.

An Exit Conference with the Plan was held on September 16, 2025. The Plan was allowed 15 calendar days from the date of the Exit Conference to provide supplemental information addressing the draft audit findings. On September 17, 2025, the Plan submitted a response after the Exit Conference. The evaluation results of the Plan's response are reflected in this report.

The audit evaluated five categories of performance: Availability of DMC-ODS Services, Access and Information Requirements, Coverage and Authorization of Services, Beneficiary Rights and Protection, and Program Integrity.

The prior DHCS compliance report, covering the review period from July 1, 2020, through June 30, 2021, identified deficiencies incorporated in the Corrective Action Plan (CAP), which were later closed out. This year's audit included a review of the Plan's compliance with its DHCS Contract and assessed its implementation of the prior year's CAP.

The summary of the findings by category is as follows:

Category 1 – Availability of Drug Medi-Cal Organized Delivery System Services

There were no findings noted for this category during the audit period.

Category 4 – Access and Information Requirements

The Plan is required to provide a member who is blind or visually impaired, and other individuals with disabilities, with communication materials in the individual's requested formats, including Braille. The standard alternative format options are large print, audio compact disk (CD) data CD, and Braille. Finding 4.1.1: The Plan did not ensure that alternative communication material in Braille was available to its members

The Plan is required to obtain verbal or written consent from members for the use of telehealth in the delivery of services. Finding 4.4.1: The Plan did not ensure providers obtained verbal or written member consent for telehealth services.

Category 5 – Coverage and Authorization of Services

There were no findings noted for this category during the audit period.

Category 6 – Beneficiary Rights and Protection

There were no findings noted for this category during the audit period.

Category 7 – Program Integrity

There were no findings noted for this category during the audit period.

III. SCOPE/AUDIT PROCEDURES

SCOPE

The DHCS, Contract and Enrollment Review Division conducted the audit to ascertain that medically necessary services provided to Plan members comply with federal and state laws, Medi-Cal regulations and guidelines, and the State's DMC-ODS Contract.

PROCEDURE

DHCS conducted an audit of the Plan from May 5, 2025, through May 16, 2025, for the audit period of July 1, 2023, through June 30, 2024. The audit included a review of the Plan's policies for providing services, procedures to implement these policies, and the process to determine whether these policies were effective. Documents were reviewed and interviews were conducted with the Plan's representatives.

The following verification studies were conducted:

Category 1 – Availability of Drug Medi-Cal Organized Delivery System Services

Mobile Crisis Services: Fifteen medical records were reviewed for appropriate services, which include coordination of care, crisis assessment, follow-up treatment, safety plans and evidence of warm hand off.

Category 4 – Access and Information Requirements

Telehealth Services: Fifteen medical records were reviewed to confirm compliant member consent for telehealth services.

Category 5 – Coverage and Authorization of Services

There were no verification studies conducted for the audit review.

Category 6 – Beneficiary Rights and Protection

Grievance Procedures: Six grievances were reviewed for timely resolution, appropriate response to the complainant, and submission to the appropriate level for service and care.

Category 7 – Program Integrity

There were no verification studies conducted for the audit review.

COMPLIANCE AUDIT FINDINGS

Category 4 – Access and Information Requirements

4.1 Language and Format Requirements

4.1.1 Member Materials in Braille

Medi-Cal Behavioral Health delivery systems (Mental Health Plans, DMC-ODS counties, and Drug Medi-Cal counties), and their subcontractors must provide a member who is blind or visually impaired, and other individuals with disabilities, with communication materials in the individuals requested standard and non-standard alternative format(s). The standard alternative format options are large print, audio CD, data CD, and Braille. *(Behavioral Health Information Notice (BHIN) 24-007, Effective Communication, Including Alternative Formats, for* Individuals with Disabilities)

Plan policy, *PL01 09-20 Written Materials-Language and Format Requirements* (effective 01/30/2024), states the Plan shall provide all written materials for beneficiaries and potential beneficiaries in an easily understood language and format, utilizing a font size no smaller than 12 points. Any large print document must be printed in a font size no smaller than 20 points. Written materials are also to be available through the provision of auxiliary aids and services in an appropriate manner that takes into consideration the special needs of beneficiaries or potential beneficiaries with disabilities or limited English proficiency.

Finding: The Plan did not ensure the availability of the Braille format as an alternative communication material to DMC-ODS members.

During the interview, the Plan stated that currently they do not have a process in place for providing information in a Braille format. The Plan confirmed Braille has never been requested by members. The Plan intends to develop the translation of documents into Braille, and is reaching out to other counties to find available vendors to address this issue.

When the Plan does not provide alternative formats to members, such as Braille, it limits member accessibility, preventing the member from having adequate knowledge to make informed decisions. This can result in poor mental health outcomes due to missed or delayed access to necessary behavioral health services.

Recommendation: Revise and implement policies and procedures to ensure the availability of the braille format as an alternative communication material to members.

4.4 Telehealth

4.4.1 Consent of Telehealth Services

Prior to initial delivery of covered services via telehealth, providers are required to obtain the beneficiaries' verbal or written consent for the use of telehealth as an acceptable mode of delivery services, and must explain the following to beneficiaries:

- The beneficiary has a right to access covered services in-person.
- Use of telehealth is voluntary and consent for the use of telehealth can be withdrawn at any time without affecting the beneficiary's ability to access Medi-Cal covered services in the future.
- Non-Medical Transportation (NMT) benefits are available for in-person visits.
- Any potential limitations or risks related to receiving covered services through telehealth as compared to an in-person visit, if applicable. *(BHIN 23-018 Updated Telehealth Guidance for Specialty Mental Health Services and Substance Use Disorder Treatment Services in Medi-Cal)*

Plan policy, *PL02-01-117 Telehealth Guidance for Specialty Mental Health Services and Substance Use Disorder Treatment* (effective 01/01/2024), is applicable to telehealth. The policy states that prior to initial telehealth service delivery, the Plan requires providers to obtain and document in the beneficiary's Electronic Health Records (EHR) their informed consent using the Consent for Telehealth form:

- The beneficiary has a right to access covered services in person.
- The use of telehealth is voluntary and consent for the use of telehealth can be withdrawn at any time without affecting the beneficiary's ability to access Medi-Cal covered services in the future.
- NMT and nonemergency medical transportation benefits are available for in-person visits.
- Any potential limitations or risks related to receiving covered services through telehealth as compared to an in-person visit, if applicable.

If the beneficiary is not able to sign the Consent for Telehealth, providers will document the beneficiary's informed consent in the beneficiary's EHR and efforts will be made to obtain the signed Consent for Telehealth at the next visit. To preserve the beneficiary's

right to access covered services in person, the Plan's provider furnishing services through telehealth must do one of the following:

1. Offer those same services in-person (face-to-face); or
2. Arrange for referral and facilitation of in-person care that does not require a beneficiary to independently contact a different provider to arrange for that care.

Finding: The Plan did not obtain consent before rendering telehealth services and did not ensure all required elements were included in collected telehealth consents.

In a verification study of 15 medical records, the Plan did not meet all telehealth consent requirements as noted below:

- Fifteen out of 15 stated telehealth in medical records.
- Four out of 15 did not have consent prior to delivery of service via telehealth as required.
- One out of 15 medical records have consent, but the provider did not explain to the beneficiary, as required, the right to access covered services in-person.
- Two out of 15 medical records have consent, but the provider did not explain to the beneficiary, as required, that use of telehealth services is voluntary, and consent can be withdrawn at any time.
- Six out of 15 medical records have consent, but the provider did not explain to the beneficiary, as required, that NMT benefits are available for in-person visits.
- One out of 15 medical records have consent, but the provider did not explain to the beneficiary, as required, any potential limitations or risks related to receiving services via telehealth as compared to an in-person visit.

The Plan has an established process to monitor telehealth consent compliance through chart reviews. However, the Plan did not document CAPs to address five of five incomplete telehealth consents identified during its chart review. These consents lacked the section to inform members of the NMT benefits.

During the interview, the Plan acknowledged that consents were not obtained from some members prior to receiving telehealth services. The Plan stated that providers were educated on the need for all members who received telehealth services to have verbal or written consent obtained and documented beforehand. In spite of the Plan's education efforts, non-compliance in meeting telehealth consent requirements was identified during the audit period.

When the Plan does not ensure that all subcontracted providers are appropriately obtaining and documenting verbal or written telehealth consent that explains all

required elements as outlined in BHIN 23-018 prior to initial delivery of covered services via telehealth, this can result in members making uninformed health decisions due to lack of adequate knowledge about treatment options.

Recommendation: Develop and implement policies and procedures to accurately reflect the Plan has an established process to monitor telehealth compliance.