

July 10, 2023

THIS LETTER SENT VIA EMAIL TO: gtsai@ph.lacounty.gov

Mr. Gary Tsai, Division Director  
Los Angeles County Substance Abuse Prevention and Control  
1000 S. Fremont Avenue, Bld. A-9 East, 3<sup>rd</sup> Floor, Box 34  
Alhambra, CA 91803

SUBJECT: ANNUAL COUNTY COMPLIANCE SECTION DMC-ODS FINDINGS  
REPORT

Dear Director Tsai:

The Department of Health Care Services (DHCS) is responsible for monitoring compliance to the requirements of the Drug Medi-Cal Organized Delivery System (DMC-ODS) and the terms of the Intergovernmental Agreement operated by Los Angeles County.

The County Compliance Section (CCS) within Audits and Investigations (A&I) 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 Los Angeles County's Fiscal Year 2022-23 DMC-ODS compliance review. The report identifies deficiencies, required corrective actions, advisory recommendations, and referrals for technical assistance.

Los Angeles County is required to submit a Corrective Action Plan (CAP) addressing each compliance deficiency (CD) to the Medi-Cal Behavioral Health – Oversight and Monitoring Division (MCBH-OMD), County/Provider Operations and Monitoring Branch (CPOMB) Liaison by 9/11/2023. Please use the enclosed CAP form to submit the completed CAP and supporting documentation via the MOVEit Secure Managed File Transfer System. For instructions on how to submit to the correct MOVEit folder, email [MCBHOMDMonitoring@dhcs.ca.gov](mailto:MCBHOMDMonitoring@dhcs.ca.gov).

If you have any questions, please contact me at [becky.counter@dhcs.ca.gov](mailto:becky.counter@dhcs.ca.gov).

Sincerely,

Becky Counter | Analyst

Distribution:

To: Director Tsai,

Cc: Mateo Hernandez, Audits and Investigations, Contracts and Enrollment Review  
Division Chief  
Catherine Hicks, Audits and Investigations, Behavioral Health Compliance  
Branch Chief  
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Michael Bivians, Audits and Investigations, County Compliance Monitoring II Chief  
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[MCBHOMDMonitoring@dhcs.ca.gov](mailto:MCBHOMDMonitoring@dhcs.ca.gov), County/Provider Operations and  
Monitoring Branch  
Marika Medrano, Los Angeles County Substance Abuse Prevention and Control,  
Contracts and Compliance Branch Chief  
Ruth Kantorowicz, Los Angeles County Substance Abuse Prevention and Control,  
Contracts and Compliance Staff Analyst

## COUNTY REVIEW INFORMATION

**County:**

Los Angeles

**County Contact Name/Title:**

Marika Medrano, Substance Abuse Prevention and Control, Contracts and Compliance  
Branch Chief

**County Address:**

1000 S. Freemont Avenue, Bld. A-9 East 3<sup>rd</sup> Floor  
Alhambra, CA 91803

**County Phone Number/Email:**

(626) 299-4532  
Mmedrano2@ph.lacounty.gov

**Date of DMC-ODS Implementation:**

7/1/2017

**Date of Review:**

5/17/2023

**Lead CCM Analyst:**

Becky Counter

**Assisting CCM Analyst:**

N/A

**Report Prepared by:**

Becky Counter

**Report Approved by:**

Ayesha Smith

## **REVIEW SCOPE**

- I. Regulations:
  - a. Special Terms and Conditions (STCs) for California Advancing & Innovating Medi-Cal (CalAIM) 1915(b) Waiver
  - b. Code of Federal Regulations, Title 42, Chapter IV, Subchapter C, Part 438; section 438.1 through 438.930: Managed Care
  - c. California Code of Regulations, Title 9, Division 4: Department of Drug and Alcohol Programs
  - d. California Health and Safety Code, Chapter 3 of Part 1, Division 10.5: Alcohol and Drug Programs
  - e. California Welfare and Institutions Code, Division 9, Part 3, Chapter 7, sections 14000 et seq., in particular but not limited to sections 14100.2, 14021, 14021.5, 14021.6, 14021.51-14021.53, 14124.20-14124.25, 14043, et seq., 14184.100 et seq. and 14045.10 et seq.: Basic Health Care
- II. Program Requirements:
  - a. Fiscal Year (FY) 2021-22 Intergovernmental Agreement (IA)
  - b. Fiscal Year (FY) 2022-23 Intergovernmental Agreement (IA)
  - c. Mental Health and Substance Use Disorders Services (MHSUDS) Information Notices
  - d. Behavioral Health Information Notices (BHIN)

## **ENTRANCE AND EXIT CONFERENCE SUMMARIES**

### **Entrance Conference:**

An Entrance Conference was conducted via WebEx on 5/17/2023. The following individuals were present:

- Representing DHCS:  
Becky Counter, County Compliance Monitoring II (CCM II) Analyst
- Representing Los Angeles County:  
Gary Tsai, Division Director, Substance Abuse Prevention Control (SAPC)  
Michelle Gibson, SAPC Deputy Division Director for Treatment Services  
Marika Medrano, SAPC Contracts and Compliance Branch Chief  
Antonne Moore, SAPC Strategic and Network Development Branch Chief  
Tina Kim, SAPC Health Outcomes and Data Analytics Branch Chief  
Daniel Deniz, SAPC, Finance Services Branch Chief  
Ruth Kantorowicz, SAPC Contracts and Compliance Staff Analyst  
Maribel Garcia, SAPC Contracts and Compliance Manager  
Andrea Hurtado, SAPC Contracts and Compliance Manager  
Kevin Ong, SAPC Fiscal Compliance and Reporting Section Manager  
Daisy Perez, SAPC Revenue Management Supervisor  
Theodore Buenaventura, SAPC Fiscal Compliance Supervisor  
Marissa Palmer, SAPC Clinical Social Work Supervisor I  
Marquisha Henderson, SAPC Health Program Analyst II

During the Entrance Conference, the following topics were discussed:

- Introductions
- Overview of review process
- Overview of services provided

**Exit Conference:**

An Exit Conference was conducted via WebEx on 5/17/2023. The following individuals were present:

- Representing DHCS:  
Becky Counter, CCM II Analyst
  
- Representing Los Angeles County:  
Gary Tsai, Division Director, Substance Abuse Prevention Control (SAPC)  
Michelle Gibson, SAPC Deputy Division Director for Treatment Services  
Marika Medrano, SAPC Contracts and Compliance Branch Chief  
Antonne Moore, SAPC Strategic and Network Development Branch Chief  
Tina Kim, SAPC Health Outcomes and Data Analytics Branch Chief  
Daniel Deniz, SAPC, Finance Services Branch Chief  
Ruth Kantorowicz, SAPC Contracts and Compliance Staff Analyst  
Maribel Garcia, SAPC Contracts and Compliance Manager  
Andrea Hurtado, SAPC Contracts and Compliance Manager  
Kevin Ong, SAPC Fiscal Compliance and Reporting Section Manager  
Daisy Perez, SAPC Revenue Management Supervisor  
Theodore Buenaventura, SAPC Fiscal Compliance Supervisor  
Marissa Palmer, SAPC Clinical Social Work Supervisor I  
Marquisha Henderson, SAPC Health Program Analyst II

During the Exit Conference, the following topics were discussed:

- Submitting follow-up evidence
- Due date for evidence submission

## SUMMARY OF FY 2022-23 COMPLIANCE DEFICIENCIES (CD)

<u>Section:</u>		<u>Number of CDs</u>
1.0	Availability of DMC-ODS Services	4
2.0	Coordination of Care Requirements	1
3.0	Quality Assurance and Performance Improvement	3
4.0	Access and Information Requirements	3
5.0	Beneficiary Rights and Protections	3
6.0	Program Integrity	2

## **CORRECTIVE ACTION PLAN (CAP)**

Pursuant to the Intergovernmental Agreement, Exhibit A, Attachment I, Part III, Section QQ each CD identified must be addressed via a CAP. The CAP is due within sixty (60) calendar days of the date of this monitoring report.

Please provide the following within the completed FY 2022-23 CAP:

- a) A list of action steps to be taken to correct the CD.
- b) The name of the person who will be responsible for corrections and ongoing compliance.
- c) Provide a specific description on how ongoing compliance is ensured.
- d) A date of completion for each CD.

The CPOMB liaison will monitor progress of the CAP completion.



## Category 1: AVAILABILITY OF DMC-ODS SERVICES

A review of the administrative trainings, policies and procedures was conducted to ensure compliance with applicable regulations, and standards. The following deficiencies in availability of DMC-ODS services were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 1.1.1:**

##### Intergovernmental Agreement Exhibit A, Attachment I, III, D, 4, i-xiii

4. The following are the mandatory and optional DMC-ODS Covered Services:

- i. Screening, Brief Intervention, Referral to Treatment and Early Intervention (for beneficiaries under age 21) (mandatory)
- ii. Withdrawal Management Services (a minimum of one level is mandatory)
- iii. Intensive Outpatient Treatment Services (mandatory)
- iv. Outpatient Treatment Services (mandatory)
- v. Narcotic Treatment Programs (mandatory)
- vi. Recovery Services (mandatory)
- vii. Care Coordination (mandatory)
- viii. Clinician Consultation (mandatory)
- ix. Medications for Addiction Treatment (also known as Medication Assisted Treatment or MAT) This is defined as facilitating access to MAT off-site for beneficiaries while they are receiving DMC-ODS treatment services if not provided on-site. Providing a beneficiary the contact information for a treatment program is insufficient.
- x. Residential Treatment Services (ASAM levels 3.1, 3.3, and 3.5 shall be made available within the timeframes outlined in Article III Section S.7.v)
- xi. Partial Hospitalization (Optional)
- xii. Peer Support Services (Optional)
- xiii. Inpatient Services ASAM Levels 3.7 and 4.0 (Optional for Contractor to cover as DMC-ODS services; care coordination for ASAM Levels 3.7 and 4.0 delivered through Medi-Cal Fee for Service and Managed Care Plans is required).

**Findings:** The Plan did not provide a list for each mandatory covered service funded using SABG or funding streams other than DMC or SABG. Mandatory covered services missing include:

- Clinician Consultation (mandatory).

The Plan did not provide a fully executed current subcontract with a network provider for the following mandatory required covered services not specifically provided by a County owned and operated program, specifically:

- Clinician Consultation (mandatory).

**CD 1.2.2:**

Intergovernmental Agreement Exhibit A, Attachment I, III, J, 3

3. The Contractor shall only select providers that have a Medical Director who, prior to the delivery of services under this Agreement, has enrolled with DHCS under applicable state regulations, has been screened in accordance with 42 CFR 455.450(a) as a “limited” categorical risk within a year prior to serving as a Medical Director under this Agreement, and has signed a Medicaid provider agreement with DHCS as required by 42 CFR 431.107.

**Findings:** The Plan did not provide evidence to demonstrate Plan and subcontracted network providers only select providers that have a Medical Director who:

- Enrolled with DHCS under applicable state regulations.
- Screened as a “limited” categorical risk within a year prior to serving as a Medical Director.
- Signed a Medicaid provider agreement with DHCS.

**CD 1.3.2:**

Intergovernmental Agreement Exhibit A, Attachment I, III, B, 1, vi

- vi. Professional staff (LPHAs) shall receive a minimum of five hours of continuing education related to addiction medicine each year.

**Findings:** The Plan did not provide the requested evidence to demonstrate six (6) subcontractor non-physician professional staff (LPHA) received the annual five (5) hours of continuing education units (CEU) in addiction medicine. The Plan did provide five (5) of the requested six (6) sets of annual five (5) hours of continuing education units (CEU) in addiction medicine, however:

- The continuing education units (CEU) submitted for calendar year 2021 for Don Theodore, LMFT with Cri-Help only totaled 75 minutes (1.25) hours.
- The 6<sup>th</sup> staff's continuing education units (CEU) was not from HR360 for calendar year 2021 as requested.

**CD 1.3.4:**

Intergovernmental Agreement Exhibit A, Attachment I, III, MM, 3, ii, c

- c. The Contractor shall ensure that all personnel who provide WM services or who monitor or supervise the provision of such service shall meet additional training requirements set forth in BHIN 21-001 and its accompanying exhibits.

BHIN 21-001

**Findings:** The Plan did not provide evidence to demonstrate all personnel who provide Withdrawal Management (WM) services or who monitor or supervise the provision of such service meet the additional training set forth in BHIN 21-001, specifically:

- Certified in cardiopulmonary resuscitation;
- Certified in first aid;
- Trained in the use of Naloxone;
- Six (6) hours of orientation training for all personnel providing WM services, monitoring and supervising the provision of WM services;
- Repeated orientation training within 14-days for returning staff following a 180 continuous day break in employment;
- Eight (8) hours of training annually that covers the needs of residents who receive WM services;
- Training documentation must be maintained in personnel records; and
- Personnel training shall be implemented and maintained by the licensee pursuant to CCR, Title 9, Section 10564(k).

## Category 2: COORDINATION OF CARE

A review of the coordination of care requirements and continuity of care was conducted to ensure compliance with applicable regulations, and standards. The following deficiency in the coordination of care requirements was identified:

### COMPLIANCE DEFICIENCY:

#### **CD 2.1.1:**

##### Intergovernmental Agreement Exhibit A, Attachment I, III, WW, 2, i-ii, a-d

- i. Perinatal services shall address treatment and recovery issues specific to pregnant and postpartum beneficiaries, such as relationships, sexual and physical abuse, and development of parenting skills.
- ii. Perinatal services shall include:
  - a. Parent/child habilitative and rehabilitative services (i.e., development of parenting skills, training in child development, which may include the provision of cooperative child care pursuant to Health and Safety Code Section 1596.792).
  - b. Service access (i.e., provision of or arrangement for transportation to and from medically necessary treatment).
  - c. Education to reduce harmful effects of alcohol and drugs on the parent and fetus or the parent and infant.
  - d. Coordination of ancillary services (i.e., assistance in accessing and completing dental services, social services, community services, educational/vocational training and other services which are medically necessary to prevent risk to fetus or infant).

**Findings:** The Plan did not provide evidence of practice to demonstrate perinatal services address treatment and recovery issues specific to pregnant and postpartum woman, specifically:

- Relationships, sexual and physical abuse, and development of parenting skills.
- Parent/child habilitative and rehabilitative services (i.e., development of parenting skills, training in child development, which may include the provision of cooperative child care pursuant to Health and Safety Code Section 1596.792).
- Service access (i.e., provision of or arrangement for transportation to and from medically necessary treatment).
- Education to reduce harmful effects of alcohol and drugs on the parent and fetus or the parent and infant.
- Coordination of ancillary services (i.e., assistance in accessing and completing dental services, social services, community services, educational/vocational training and other services which are medically necessary to prevent risk to fetus or infant).

## Category 3: QUALITY ASSURANCE AND PERFORMANCE IMPROVEMENT

A review of the practice guidelines, monitoring, and other quality assurance requirements was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in quality assurance and performance improvement were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 3.2.3:**

Intergovernmental Agreement Exhibit A, Attachment I, III, RR, 5, iii

5. The monitoring of accessibility of services outlined in the Quality Improvement (QI) Plan will at a minimum include:
- iii. Timeliness of services of the first dose of NTP services.

**Findings:** The Plan did not provide evidence to demonstrate monitoring network providers for accessibility of services as described in a QI Plan, specifically:

- Timeliness of services of the first dose of NTP services.

#### **CD 3.3.1:**

Intergovernmental Agreement Exhibit A, Attachment I, III, LL, 4, i, c-f

- i. The CalOMS-Tx business rules and requirements are:
  - c. 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.
  - d. Contractor shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (Document 3J) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS-Tx data collection and reporting requirements.
  - e. Contractor shall submit CalOMS-Tx admission, 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.
  - f. Contractor shall comply with the CalOMS-Tx 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.

**Findings:** The Plan’s Open Admissions report is not in compliance.

**CD 3.3.2:**

Intergovernmental Agreement Exhibit A, Attachment I, III, LL, 4, i, c-f

- i. The CalOMS-Tx business rules and requirements are:
  - c. 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.
  - d. Contractor shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (Document 3J) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS-Tx data collection and reporting requirements.
  - e. Contractor shall submit CalOMS-Tx admission, 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.
  - f. Contractor shall comply with the CalOMS-Tx 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.

**Findings:** The Plan’s Open Provider report is not in compliance.

## **Category 4: ACCESS AND INFORMATION REQUIREMENTS**

A review of the access and information requirements for the access line, language and format requirements, and general information was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in access and information requirements were identified:

### **COMPLIANCE DEFICIENCIES:**

#### **CD 4.1.2:**

Intergovernmental Agreement Exhibit A, Attachment I, III, PP, 1

1. The Contractor shall notify the Department of the termination of any subcontract with a certified provider, and the basis for termination of the subcontract, within two business days. The Contractor shall submit the notification using a Secure Managed File Transfer system specified by DHCS.

**Findings:** The Plan did not provide evidence to demonstrate a process to notify DHCS within two (2) business days regarding the termination, and the basis for the termination, of a subcontract with a certified provider.

#### **CD 4.3.2:**

Intergovernmental Agreement Exhibit A, Attachment I, III, CC, 15, i-xiii

##### **15. Federal Law Requirements:**

- i. Title VI of the Civil Rights Act of 1964, Section 2000d, as amended, prohibiting discrimination based on race, color, or national origin in federally funded programs.
- ii. Title IX of the Education Amendments of 1972 (regarding education and programs and activities), if applicable.
- iii. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
- iv. Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
- v. Age Discrimination in Employment Act (29 CFR Part 1625).
- vi. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment.
- vii. Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities.
- viii. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
- ix. Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of individuals with disabilities.

- x. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance.
- xi. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
- xii. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.
- xiii. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.

Intergovernmental Agreement Exhibit A, Attachment, III, CC, 18, i

18. Subcontract Provisions

- i. Contractor shall include all of the foregoing provisions in all of its subcontracts.

**Findings:** The Plan did not provide evidence to demonstrate all federal law requirements from the Intergovernmental Agreement, Exhibit A, Attachment I, III, CC, 15, i-xiii, foregoing provision is included in all subcontracts, specifically missing:

- Title IX of the Education Amendments of 1972.
- Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.).
- Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 USC Sections 6101 – 6107).
- Age Discrimination in Employment Act (29 CFR Part 1625).
- Title I of the Americans with Disabilities Act (29 CFR Part 1630).
- Americans with Disabilities Act (28 CFR Part 35).
- Title III of the Americans with Disabilities Act (28 CFR Part 36).
- Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60).
- Executive Order 13166 (67 FR 41455).
- The Drug Abuse Office and Treatment Act of 1972.
- The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616).

**CD 4.3.3:**

Intergovernmental Agreement Exhibit A, Attachment I, III, CC, 16, i-v

16. State Law Requirements:

- i. Fair Employment and Housing Act (Gov. Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (Cal. Code Regs., tit. 2, Div. 4 § 7285.0 et seq.).
- ii. Title 2, Division 3, Article 9.5 of the Gov. Code, commencing with Section 11135.
- iii. Cal. Code Regs., tit. 9, div. 4, chapter 8, commencing with §10800.
- iv. No state or Federal funds shall be used by the Contractor, or its subcontractors, for sectarian worship, instruction, and/or proselytization. No state funds shall be



used by the Contractor, or its subcontractors, to provide direct, immediate, or substantial support to any religious activity.

- v. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for state to withhold payments under this Agreement or terminate all, or any type, of funding provided hereunder.

Intergovernmental Agreement Exhibit A, Attachment I, III, CC, 18, i

18. Subcontract Provisions

- i. Contractor shall include all of the foregoing provisions in all of its subcontracts.

**Findings:** The Plan did not provide evidence to demonstrate all state law requirements from the Intergovernmental Agreement, Exhibit A, Attachment I, III, CC, 16, i-v, foregoing provision is included in all subcontracts, specifically missing:

- Fair Employment and Housing Act.
- Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.
- No state or Federal funds are used by the Contractor, or its subcontractors, for sectarian worship, instruction, and/or proselytization.
- No state funds are used by the Contractor, or its subcontractors, to provide direct, immediate, or substantial support to any religious activity.
- Noncompliance with the requirements of nondiscrimination in services constitutes grounds for state to withhold payments or terminate all, or any type, of funding provided.

## Category 5: BENEFICIARY RIGHTS AND PROTECTIONS

A review of the grievance and appeals was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in beneficiary rights and protections for regulations, standards, or protocol requirements were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 5.2.1:**

##### Intergovernmental Agreement Exhibit A, Attachment I, II, L, 1-3, i-iii

1. The Contractor shall designate a Discrimination Grievance Coordinator who is responsible for ensuring compliance with federal and state nondiscrimination requirements and investigating Discrimination Grievances related to any action that would be prohibited by, or out of compliance with, federal or state nondiscrimination law.
2. The Contractor shall adopt Discrimination Grievance procedures that ensure the prompt and equitable resolution of discrimination-related complaints. The Contractor shall not require a beneficiary to file a Discrimination Grievance with the Contractor before filing the grievance directly with DHCS Office of Civil Rights and the U.S. Health and Human Services Office for Civil Rights.
3. The Discrimination Grievance Coordinator shall be available to:
  - i. Answer questions and provide appropriate assistance to the Contractor staff and members regarding the Contractor's state and federal nondiscrimination legal obligations.
  - ii. Advise the Contractor about nondiscrimination best practices and accommodating persons with disabilities.
  - iii. Investigate and process any Americans with Disabilities Act, Section 504 of the Rehabilitation Act, section 1557 of the Affordable Care Act, and/or Gov. Code section 11135 grievances received by the Contractor.

**Findings:** The Plan did not provide evidence to demonstrate compliance with ensuring Discrimination Grievance program requirements, specifically:

- Designation of a Discrimination Grievance Coordinator.
- Adoption of Discrimination Grievance procedures that ensure the prompt and equitable resolution of discrimination-related complaints.
- Notification that a beneficiary is not required to file a Discrimination Grievance with the Contractor before filing the grievance directly with DHCS Office of Civil Rights and the U.S. Health and Human Services Office for Civil Rights.

The Plan did not provide evidence to demonstrate the investigation of grievances related to any action prohibited by or out of compliance with federal or state nondiscrimination law based on the following characteristics, specifically:

- Sex

- Race
- Color
- Religion
- Ancestry
- National Origin
- Ethnic Group Identification
- Age
- Mental Disability
- Age
- Mental Disability
- Physical Disability
- Medical Condition
- Genetic Information
- Marital Status
- Gender
- Gender Identity
- Sexual Orientation

**CD 5.2.2:**

Intergovernmental Agreement Exhibit A, Attachment I, II, L, 4, j, a-f

4. The Contractor shall comply with the following discrimination grievances reporting requirements.
  - i. Within ten calendar days of mailing a Discrimination Grievance resolution letter to a beneficiary, the Contractor shall submit detailed information regarding the grievance to DHCS Office of Civil Rights' designated Discrimination Grievance email box. The Contractor shall submit the following detailed information in a secure format to [DHCS.DiscriminationGrievances@dhcs.ca.gov](mailto:DHCS.DiscriminationGrievances@dhcs.ca.gov):
    - a. The original complaint.
    - b. The provider's or other accused party's response to the grievance.
    - c. Contact information for the Contractor's personnel responsible for the Contractor's investigation and response to the grievance.
    - d. Contact information for the beneficiary filing the grievance and for the provider or other accused party that is the subject of the grievance.
    - e. All correspondence with the beneficiary regarding the grievance, including, but not limited to, the Discrimination Grievance acknowledgment and resolution letter(s) sent to the beneficiary.
    - f. The results of the Contractor's investigation, copies of any corrective action taken, and any other information that is relevant to the allegation(s) of discrimination.

**Findings:** The Plan did not provide evidence to demonstrate compliance with reporting requirements regarding Discrimination Grievance, specifically:

- Discrimination Grievance information is submitted to the DHCS Office of Civil Rights within ten (10) calendar days of mailing a Discrimination Grievance resolution letter to a beneficiary.
- Discrimination Grievance information is submitted to the DHCS Office of Civil Rights in a secure format to [DHCS.DiscriminationGrievances@dhcs.ca.gov](mailto:DHCS.DiscriminationGrievances@dhcs.ca.gov).
- All correspondence with the beneficiary regarding the complaint, including, but not limited to, the Discrimination Grievance acknowledgement sent to the beneficiary.

**CD 5.2.3:**

Intergovernmental Agreement Exhibit A, Attachment I, II, E, 7, i-ii

7. Grievance and Appeal Systems (42 CFR §438.228).

- i. The Contractor shall have in effect, a grievance and appeal system that meets the requirements outlined in Article II.G of this Agreement.
- ii. The Contractor shall be responsible for issuing any NOABD under 42 CFR Part 431, subpart E. The Department shall conduct random reviews of the Contractor and its providers and subcontractors to ensure that they are notifying beneficiaries in a timely manner.

MHSUDS Information Notice 18-010E

**Findings:** The Plan did not provide evidence to demonstrate compliance with the documentation and timeliness requirements for the Grievance and Appeal system, specifically:

- Grievance Acknowledgement Letter sent within 5 calendar day of receipt of grievance;
- Resolution Letter sent within 90 days from receipt of grievance;
- Beneficiary appeal filed w/in 60 days from date of NOABD;
- Acknowledgement Letter sent within 5 calendar days of receipt of appeal;
- Standard Resolution Letter sent within 30 days of appeal;
- Expedited Appeal Letter sent within 72 hours;
- 14-day extensions for appeals were based on beneficiary, provider, or authorized representative requests for an extension, or Plan demonstrates need for additional information and the delay is in beneficiary's best interest;
- If extension was granted, beneficiary was provided written notice of reason of extension within two days and was resolved ASAP if medically necessary;
- NOABD for termination, suspension, or reduction of previously authorized services was mailed 10 days before date of action;
- NOABD for denial of payment was mailed at the time of any action denying the provider's claim; and
- NOABD for denial, delay, or modification decisions was mailed within 2 business days of decision.

The Plan did not provide evidence to demonstrate compliance with the documentation requirements for each Grievance and Appeal, specifically:

- Acknowledgement Letter,
- Corresponding NOABD if applicable;
- Supporting documentation/evidence; and
- Provider notification of the grievance, appeal, expedited appeal results.

## Category 6: PROGRAM INTEGRITY

A review of the compliance program, service verification, and fraud reporting was conducted to ensure compliance with applicable regulations and standards. The following deficiencies in program integrity were identified:

### COMPLIANCE DEFICIENCIES:

#### **CD 6.1.2:**

Intergovernmental Agreement Exhibit A, Attachment I, II, H, 5, ii, a, vii

- vii. Establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential compliance problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence, and ongoing compliance with the requirements under this Agreement.

**Findings:** The Plan did not provide evidence to demonstrate compliance with implementation of agreements or procedures for monitoring and auditing of compliance risks, specifically:

- Establishment and implementation of procedures and a system with dedicated staff for routine internal monitoring and auditing of compliance risks;
- Prompt response to compliance issues as they are raised;
- Investigation of potential compliance problems as identified in the course of self-evaluation and audits;
- Correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence; and
- Ongoing compliance with the requirements under this Agreement.

#### **CD 6.2.1:**

Intergovernmental Agreement Exhibit A, Attachment III, NN, 3

3. Suspected Medi-Cal fraud, waste, or abuse shall be reported to: DHCS Medi-Cal Fraud: (800) 822-6222 or [Fraud@dhcs.ca.gov](mailto:Fraud@dhcs.ca.gov).

**Findings:** The Plan did not provide evidence to demonstrate Plan and subcontractor compliance with reporting suspected Medi-Cal fraud, waste, or abuse to DHCS Medi-Cal Fraud at (800) 822-6222 or [Fraud@dhcs.ca.gov](mailto:Fraud@dhcs.ca.gov).

## **TECHNICAL ASSISTANCE**

Los Angeles County did not request Technical Assistance during this review.