

**DHCS REPORT ON THE SUBSTANCE USE
DISORDER (SUD) AUDIT OF:
SANTA CRUZ COUNTY
2024**

DEPARTMENT OF HEALTH CARE SERVICES
AUDITS AND INVESTIGATIONS
CONTRACT AND ENROLLMENT REVIEW DIVISION
BEHAVIORAL HEALTH REVIEW BRANCH

REPORT ON THE SUBSTANCE USE DISORDER (SUD) AUDIT OF

**Santa Cruz County Behavioral Health Services
dba Santa Cruz County Drug Medi-Cal Delivery System
Services
2024**

Contract Number: 20-10197
Drug Medi-Cal Organized Delivery System
(DMC-ODS)
Audit Period: July 1, 2022
through
June 30, 2023

Dates of Audit: May 14, 2024
through
May 24, 2024

Report Issued: September 6, 2024

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I. INTRODUCTION

Santa Cruz Behavioral Health (Plan) is governed by a Board of Supervisors and contracts with the Department of Health Care Services (DHCS) for the purpose of providing Drug Medi-Cal Organized Delivery System (DMC-ODS) treatment services for substance use disorders to county residents.

Santa Cruz County is located in the central coast of California. It occupies the northern tip of Monterey Bay and is a mix of urban and rural areas. The Plan covers services in ten cities: Santa Cruz, Watsonville, Aptos, Freedom, Ben Lomond, Boulder Creek, Capitola, Felton, Soquel, and Scotts Valley.

As of May 23, 2024, the Plan had 1,818 Medi-Cal beneficiaries receiving DMC-ODS and had a total of five active providers.

II. EXECUTIVE SUMMARY

This report presents the audit findings of the DHCS audit for the period of July 1, 2022, through June 30, 2023. The audit was conducted from May 14, 2024, through May 24, 2024. The audit consisted of documentation review, verification studies, and interviews with the Plan's representatives.

An Exit Conference with the Plan was held on, August 23, 2024. 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, 2021, through June 30, 2022, identified deficiencies incorporated in the Corrective Action Plan. This year's audit included a review of documents to determine the implementation and effectiveness of the Plan's corrective actions.

The summary of the findings by category follows:

Category 1 – Availability of DMC-ODS Services

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

Category 4 – Access and Information Requirements

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

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 this audit of the Plan to ascertain that medically necessary services provided to beneficiaries 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 14, 2024, through May 24, 2024, for the audit period of July 1, 2022, through June 30, 2023. 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 Plan representatives.

The following verification studies were conducted for this audit:

Category 1 – Availability of DMC-ODS Services

Provider Monitoring Procedures: Twenty-one continuing medical education files were reviewed for effective monitoring and timely completion.

Category 6 – Beneficiary Rights and Protection

Grievance and appeals: Five Grievances and four appeals were reviewed for timely resolution, appropriate response to complainant, and submission to the appropriate level for review.