

The following answers were provided Monday, Feb. 6, 2022 by Dr. Veronica Kelley, Chief of Mental Health and Recovery Services at the Orange County Health Care Agency, in response to Voice of OC's questions regarding a county letter that raised concerns about possible fraud by contractor Telecare Corp.

Q. Did the County of Orange (County) refer Telecare Corporation to law enforcement and federal oversight agencies (such as the Department of Health and Human Services/Centers for Medicare and Medicaid Services HHS/CMS) over the concerns about Telecare's fraudulent billings for Medi-Cal services?

A. We discovered in the course of our investigation that this billing of services by non-credentialed providers was not done intentionally, but as a result of an oversight by the administrators at the program and **therefore not fraud**. The provider stopped billing services performed by these clinicians immediately upon discovery and we disallowed all of the previous billing of services by these non-credentialed providers. That means the services were NOT billed for. The County follows the required steps by the State of California Department of Health Care Services (DHCS) in addressing performance issues with contract providers. This was done. Since it was determined the billing practices in this case did not rise to the level of fraudulent bill practices, this was attended to as is required by our contract with DHCS. These issues are handled in California, and this would not elevate to the HHS/CMS.

Q. What steps did the County take to hold Telecare accountable, aside from recouping funds that were improperly billed by Telecare?

A. Orange County abides by all state and federal requirements for the provision of Medi-Cal specialty mental health and substance use disorder services. As is outlined in our contract with the State, the County reviews and monitors each contracted provider for fidelity to contract and performance outcome measures. During initial startup, contract management meetings are typically held weekly to ensure information exchange and alignment of goals. In the case of the Telecare contract at the BeWell Orange campus, the meetings continued weekly for the duration of our oversight. Onsite staff support and guidance, including chart audits, is also available to providers. In Telecare's case, contract monitoring staff were onsite at some periods on a daily basis due to concerns identified. During the last year of COVID, while there were leadership changes and shifts with the BeWell campus, these monitoring meetings lagged, but were reinstated and it was during this process that the non-credentialed staff were discovered. When a provider is out of compliance, we provide the provider written notice of any deficits as well as a detailed Corrective Action Plan which outlines how the provider can bring itself into compliance and ensure future compliance with the contract.

Q. Why weren't any of these problems publicly announced or acknowledged at the time by the County?

A. Any issues noted with a contract provider are not shared publicly but are disclosed with the provider to try to correct any potential contract deficiencies. If the issues are not addressed, this could result in further action and may include termination. Be Well is a new model for public/private partnership and there will be growing pains. The concerns noted with the provider in question were also impacted by new roles and oversight by MindOC as well, which resulted in streamlining of responsibility for service delivery via the new Master Service Agreement.