



**BARBARA FERRER, Ph.D., M.P.H., M.Ed.**  
Director

**MUNTU DAVIS, M.D., M.P.H.**  
County Health Officer

**MEGAN McCLAIRE, M.S.P.H.**  
Chief Deputy Director

**DEBORAH ALLEN, Sc.D.**  
Deputy Director, Health Promotion Bureau

**GARY TSAI, M.D.**  
Division Director  
Substance Abuse Prevention and Control  
1000 South Fremont Avenue, Building A-9 East, 3rd Floor, Box 34  
Alhambra, California 91803  
TEL (626) 299-4101 • FAX (626) 458-7637

[www.publichealth.lacounty.gov](http://www.publichealth.lacounty.gov)

**BOARD OF SUPERVISORS**

**Hilda L. Solis**  
First District

**Holly J. Mitchell**  
Second District

**Sheila Kuehl**  
Third District


**Janice Hahn**  
Fourth District

**Kathryn Barger**  
Fifth District

May 26, 2022

**SAPC BULLETIN 22-10**  
*Supersedes Bulletin 20-14*

**TO:** Los Angeles County Substance Use Disorder  
Contracted Providers

**FROM:** Gary Tsai, M.D., Division Director   
Substance Abuse Prevention and Control

**SUBJECT: COMMITMENT TO IDENTIFY, PREVENT AND RESPOND TO  
FRAUD, WASTE AND ABUSE**

In an effort to ensure the delivery of quality services and the appropriate use of public funds, the County of Los Angeles Department of Public Health, Division of Substance Abuse Prevention and Control (SAPC) is committed to identifying, preventing, and responding to any allegation and confirmed instances of Fraud, Waste and Abuse (FWA). In accordance with 42 CFR §438.608 and the provisions of the SAPC Service Contracts, provider agencies must take the following actions to detect and prevent FWA, including but not limited to:

- Establish and implement policies and procedures designed to articulate the organization’s commitment to detect and prevent FWA, and meet all relevant State, federal and local guidelines and regulations.
- Designate a Compliance Officer responsible for the following: (1) implementation of FWA-related policies and procedures; (2) compliance to all relevant guidelines and regulations; and (3) the timely reporting of any instance of suspected or confirmed FWA.
- All instances of suspected and/or confirmed FWA must be reported to [SAPCmonitoring@ph.lacounty.gov](mailto:SAPCmonitoring@ph.lacounty.gov) and your assigned Contract Program Auditor within **48 hours of detection or identification**.

- Develop a plan for the Compliance Officer and all provider staff to ensure the understanding of and familiarity with all relevant guidelines and regulations, FWA related policies and procedures, and reporting requirements.
- Develop and publicize the organization's commitment to: (1) detect and prevent FWA; (2) establish effective communication between staff and Compliance Officer; and (3) follow through with disciplinary action(s) for all FWA and other activities that impede the integrity of the program.
- Notify SAPC within 60 calendar days of becoming aware of any overpayments and/or payments in excess of the allowable amount as described in your SAPC Service Contract(s).

### **County Response to Fraud, Waste and Abuse**

As part of its ongoing commitment to program integrity, SAPC will take immediate actions on any instance or allegation of suspected FWA. SAPC's Contracts and Compliance Branch will immediately begin the process of reviewing all allegations of FWA and determine the accuracy of such allegation(s). SAPC's response may include but is not limited to any of the following:

- Report to the County of Los Angeles Department of Auditor-Controller and the State of California Department of Health Care Services to determine the most appropriate agency responsible for reviewing and investigating the allegation(s).
- Fully investigate allegations by contacting current and former staff and/or patients, reviewing patient charts, reviewing personnel records, agency management documentations, and conducting an analysis of current and/or past billings.
- Share findings, information, and investigation report(s) with the County of Los Angeles Department of Auditor-Controller, the State of California Department of Health Care Services Audits and Investigation Branch, and any other relevant government agency(ies) responsible for investigating FWA.
- Hold payment(s) on all reimbursements until a final resolution has been determined.
- Take contract actions, including but not limited to, contract(s) suspension and/or contract(s) termination.
- Deny any request(s) for additional funding(s), site(s), and/or service(s).
- Place provider on the County of Los Angeles Contract Alert Reporting Database (CARD), which may impact the provider's ability to apply for and/or be awarded future solicitations.

SAPC Bulletin 22-10

May 26, 2022

Page 3 of 3

Lastly, the County of Los Angeles may take any other actions as described in the provisions of your SAPC Service Contract(s).

Please contact your assigned Contract Program Auditor for additional information.

GT:mm