

	County of Sacramento Department of Health and Human Services Division of Behavioral Health Services Policy and Procedure	Policy Issuer (Unit/Program)	Mental Health
		Policy Number	04-23
		Effective Date	7/1/2025
		Revision Date	
Title: Data and Expenditure Reporting Requirements		Functional Area: Permanent Felony Mental Health Diversion Program	
Approved By: <i>Signed version available upon request</i>			
<i>Stephanie Kelly, LMFT</i> <i>Division Manager</i>		<i>Kelli Weaver, LCSW</i> <i>Deputy Director</i>	

Background/Context:

In response to the increasing number of individuals found Incompetent to Stand Trial (IST) due to serious mental illness, the California Department of State Hospitals (DSH) launched the Diversion Pilot Program in 2018. This initiative was authorized under [Penal Code §1001.36](#) and [Welfare and Institutions Code §4361](#), following the passage of Assembly Bill 1810 and Senate Bill 215. The program was designed to reduce the reliance on inpatient competency restoration by offering eligible felony IST defendants the opportunity to receive intensive, community-based mental health treatment as an alternative to incarceration.

Since its inception, the program has evolved to focus exclusively on felony IST defendants and has broadened its diagnostic eligibility criteria, excluding only a limited number of specific disorders. The pilot program laid the foundation for the Permanent Felony Mental Health Diversion (MHD) Program, which builds upon its successes by introducing standardized policies and procedures to promote consistency, accountability, and clinical integrity across participating counties.

A cornerstone of the program is its emphasis on robust data and expenditure reporting, which ensures transparency and enables DSH to monitor both program effectiveness and fiscal responsibility.

Purpose:

This policy and procedure outlines the responsibilities of Sacramento County Behavioral Health Services (BHS) staff and contracted service provider(s) regarding data collection, expenditure tracking, and reporting requirements for the DSH MHD Program.

Procedure:

A. Responsibilities of Contracted Service Provider(s)

I. Data Reporting Requirements

a. Weekly Demographic and Census Data

- i. Contractor(s) must collect and submit demographic and census data weekly, in accordance with the DSH data dictionary and any subsequent amendments.
- ii. Data must be submitted by the deadline communicated by DSH in the SharePoint tracker.
- iii. This data will be used to reconcile invoices.

b. Monthly Service Data

- i. Contractor(s) may submit service data as soon as it becomes available but must do so no later than 30 days after the last day of each month.

c. Data Privacy Compliance

- i. Contractor(s) must identify any data subject to and in accordance with [Title 42, Code of Federal Regulations \(CFR\) Part 2 of the Confidentiality of Substance Use Disorder Patient Records](#) at the time of submission. at the time of submission.
- ii. Such data must be clearly marked and handled in accordance with federal confidentiality regulations.

II. Expenditure Reporting

a. Tracking Requirements

- i. Contractor(s) must maintain accurate and complete records of all actual DSH Diversion expenditures, including Administrative Overhead directly related to care and services provided under the DSH MHD Program.

b. Monthly Submission

- i. Contractor(s) must submit a monthly invoice to the assigned BHS Administrative Contract Monitor.
- ii. The invoice must include:
 - 1. An itemized list of all Diversion expenditures;
 - 2. A breakdown of Administrative Overhead; and
 - 3. Supporting documentation as required.

In accordance with contract agreements, BHS reserves the right to withhold payments until all required data and reports have been submitted by the contractor(s).

B. Responsibilities of BHS

I. Compliance and Oversight

- a. Administrative Contract Monitor:
 - i. Reviews monthly submitted invoices to ensure supporting documentation is complete and matches the billing report generated from the electronic health record (EHR) system.
 - ii. Verifies invoice amounts against the approved rate schedule.
 - iii. Inputs validated invoice data into the BHS internal fiscal tracking template for reconciliation.
 - iv. Provides bed occupancy data to BHS Fiscal for quarterly submission.
 - v. Submits the reconciliation and original invoice to the Program Contract Monitor.
- b. Program Contract Monitor:
 - i. Ensures timely submission of required Diversion program data.
 - ii. Conducts monthly, mid-year, and annual compliance reviews.
 - 1. If a contractor is delinquent in submitting data, the Program Contract Monitor will issue a reminder and emphasize the importance of timely reporting.
 - 2. Repeated delays may result in a Corrective Action Plan to address and resolve the issue.
 - iii. Verifies that services are documented in the EHR and comply with DSH, state, and federal requirements.
- c. BHS Fiscal Team:
 - i. Annual Submission

1. Submits an Annual Diversion Expenditure Report to DSHSAC_DiversionFiscalReports@dsh.ca.gov.
 2. The report must be submitted within sixty (60) days after the last day of the month of June each year during the term of the agreement.
 3. The report must include:
 - a) An itemized list of all Diversion expenditures;
 - b) A breakdown of Administrative Overhead; and
 - c) Supporting documentation as required.
- ii. Quarterly Submission
1. Verifies that invoices and supporting documentation align with services rendered.
 2. Prepares and submits quarterly invoices and supporting documentation to DSH for payment at:

Department of State Hospitals
 Attention: Accounting Office
 1215 O Street, MS-2
 Sacramento, A 95814

Or

DSHSAC.AccountsPayable@dsh.ca.gov

- iii. Payment Withholding
1. In accordance with contract agreements, BHS reserves the right to withhold payments until all required data and reports have been submitted by the contractor(s).

Reference(s)/Attachments:



Distribution:

Enter X	DL Name	Enter X	DL Name
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Contact Information:

BHS-DHS@saccounty.gov