Summary

Results in Brief

Psychotropic medications such as antidepressants, mood stabilizers, and antipsychotics can provide significant benefits in the treatment of psychiatric illnesses, but they can also cause serious adverse side effects. Although the American Psychological Association has mentioned that studies since the 1970s have found that children in foster care (foster children) often have a greater need for mental health treatment, public and private entities have expressed concerns about the higher prescription rates of psychotropic medication among foster children than among nonfoster children. This issue is of particular importance to California, which has the largest population of foster children in the country. In fact, our analysis of the available state data found that nearly 12 percent of California’s more than 79,000 foster children were prescribed psychotropic medications during fiscal year 2014–15, whereas studies suggest that only about 4 to 10 percent of nonfoster children are prescribed these medications.

To examine the oversight of psychotropic medications prescribed to foster children, we reviewed case files for a total of 80 foster children in Los Angeles, Madera, Riverside, and Sonoma counties and analyzed available statewide data. We found that many foster children had been authorized to receive psychotropic medications in amounts and dosages that exceeded the State’s recommended guidelines (state guidelines), circumstances that should have prompted the counties responsible for their care to follow up with the children’s prescribers. For example, 11 of the 80 children whose files we reviewed had been authorized to take multiple psychotropic medications within the same drug class. Further, 18 of the 80 children had been authorized to take psychotropic medications in dosages that exceeded the State’s recommended maximum limits. Medications that exceed the State’s recommended guidelines may be appropriate under some circumstances, and we are not questioning prescribers’ medical expertise. However, in the instances above, the counties did not contact the prescribers to ensure the safety and necessity of the medications in question, as the state guidelines recommend.

Compounding these concerns is the fact that many of these children do not appear to have received follow-up visits or recommended psychosocial services in conjunction with their prescriptions for psychotropic medications. The American Academy of Child and Adolescent Psychiatry recommends that children should receive follow-up visits with their health care providers ideally within two weeks, but at least within a month, after they start psychotropic medications. Nonetheless, one-third of the 67 foster children who started at least one psychotropic medication during our audit period did not receive follow-up appointments with their prescriber or
to collaborate, the State’s overall approach has exerted little
system-level oversight to help ensure that these entities’ collective
efforts actually work as intended and produce desirable results.

The State’s fragmented oversight structure has also contributed to its
failure to ensure it has the data necessary to monitor the prescription
of psychotropic medications to foster children. The two state entities
most directly involved in overseeing foster children’s mental health care
are the California Department of Social Services (Social Services) and
the Department of Health Care Services (Health Care Services). Even
when combined, results from data systems these two departments
operate still contain inaccurate and incomplete data related to foster
children who are prescribed psychotropic medications. Consequently,
neither agency can completely identify which foster children statewide
are prescribed psychotropic medications or which medications those
children are prescribed.

Further, the inaccurate and incomplete information in Social Services’
data system is used to produce Health and Education Passports,
which are critical documents that are meant to follow foster
c children should their placement change. We found that all 80 of the
Health and Education Passports we reviewed contained instances
of incorrect start dates for psychotropic medications. Moreover,
13 of these 80 Health and Education Passports did not identify all the
psychotropic medications that the courts authorized, and all 80 were
missing information about the corresponding psychosocial services
the foster children should have received for at least one psychotropic
medication. These errors and omissions appear to have been caused
in large part by a lack of county staff to enter foster children’s health
information into Social Services’ data system and an unwillingness
of some county departments to share foster children’s information
with each other. However, caretakers, health care providers, social
workers, and others rely on the Health and Education Passports
to make decisions about foster children’s care; without accurate
information, they may inadvertently make decisions that do not
reflect the children’s best interests.

Also, the State has missed opportunities to ensure that the
counties have reasonable processes for overseeing the prescription
of psychotropic medications to foster children. For example,
Social Services’ California Child and Family Services Reviews of the
counties only recently began examining in more depth psychotropic
medications prescribed to foster children. Because Social Services
and Health Care Services have not historically examined the
prescription of psychotropic medications to foster children in their
periodic reviews, they have missed opportunities for in-depth,
county-by-county reviews of this issue. However, as of March 2016,
both departments had begun collecting from the counties certain
information about these medications.
services as well as the quality of their outcomes under county mental health care plans and county Medi-Cal managed care plans (Medi-Cal managed care plans). Health Care Services contracts with two organizations to conduct these external reviews and includes links to the organizations’ reports on its website. However, the reports for the most recent annual external reviews for the Medi-Cal mental health plans and Medi-Cal managed care plans for the four counties we visited did not include substantive information regarding psychotropic medications prescribed to foster children.

Although external reviews annually examine the counties’ Medi-Cal mental health plans and Medi-Cal managed care plans, the assistant chief of the Medical Review Branch within Health Care Services’ Audits and Investigations Division indicated that the State has no similar oversight mechanism in place for health professionals who provide psychosocial services and then bill Medi-Cal via the fee-for-service approach. While more Medi-Cal beneficiaries are enrolling in managed care plans, foster children have the option to receive health care services from fee-for-service providers instead. Health Care Services is responsible for signing up and screening these providers. However, according to the assistant chief of the Medical Review Branch, the only oversight Health Care Services performs related to this type of provider involves identifying appropriate billing based on medical necessity criteria and federal and state reimbursement guidelines.

The three types of county-level reviews that Social Services and Health Care Services perform present an opportunity for the departments to gather first-hand information regarding the counties’ administration of psychotropic medications to foster children. These reviews could allow Social Services and Health Care Services to identify relevant deficiencies in this area and work with counties to resolve those deficiencies. Further, using the relevant results of these reviews in conjunction with complete and accurate state data, Social Services, Health Care Services, and their county partners could consider whether to modify their oversight structures to better ensure that providers only prescribe psychotropic medications to foster children when reasonably necessary.

The State Has Not Proactively Overseen Physicians Who Prescribe Psychotropic Medications for Foster Children

Although the State has mechanisms in place for reacting to complaints about physicians who may have inappropriately prescribed psychotropic medications to foster children, it does not currently take routine proactive steps to identify and correct inappropriate prescribing practices. The State oversees physicians through the Medical Board, which is responsible for issuing
physicians’ licenses, investigating complaints, and imposing discipline. Its disciplinary actions may include administrative citations, fines, or license revocation. However, as of February 2016, its executive director stated that the Medical Board had not received any complaints against physicians for inappropriately prescribing psychotropic medications to foster children. Given the nature and extent of the issues we identified in Chapter 1 related to psychotropic medications, we believe that the lack of complaints to the Medical Board may suggest that this reactive approach alone is not sufficient to help ensure that physicians properly prescribe psychotropic medications to foster children.

Although the State also has other reactive methods through which it can monitor physicians who prescribe psychotropic medications to foster children, it is unclear whether these methods provide adequate oversight. For instance, state law requires Social Services to establish a foster care ombudsman’s office to disseminate information on the rights of foster children and to investigate and attempt to resolve complaints made by or on behalf of foster children related to their care, placement, or services. Nonetheless, according to a consultant in the foster care ombudsman’s office, a review of a sample of child welfare complaints over a four-year period showed that the office had not received complaints regarding children being overprescribed psychotropic medications. Similarly, state regulations allow Health Care Services to designate a Medi-Cal managed care ombudsman to investigate and resolve complaints between Medi-Cal beneficiaries and their managed care health plans. However, the chief of Health Care Services’ Managed Care Operations Division told us that the managed care ombudsman’s office does not investigate complaints regarding inappropriate prescribing of psychotropic medications to foster children and would refer any such complainants to another appropriate program.

Consequently, we believe that the State’s reactive approach for overseeing physicians should be supplemented by more proactive steps to better ensure that physicians who prescribe psychotropic medications to foster children adhere to applicable guidelines. Although the Medical Board is trying to take proactive steps, its progress has been slow. Specifically, in April 2015 the Medical Board entered into an agreement with Health Care Services and Social Services to obtain pharmacy claims data for all foster children who were or had been on three or more psychotropic medications for 90 days or longer. The Medical Board’s executive director stated that her staff had planned to analyze these data and investigate those physicians who exhibited inappropriate patterns of prescribing psychotropic medications to foster children. However, even though the Medical Board received these data in May 2015,
the executive director explained in February 2016 that the board had not yet been able to use it to identify physicians with potentially inappropriate prescribing habits.

The executive director attributed the delay to a number of causes. Specifically, she stated that the Medical Board was unable to contract with a consultant to analyze the data until November 2015 because it took longer than expected to identify an appropriate, available expert in the Sacramento area. She further stated that in late January 2016, the consultant reported to the Medical Board that the data were inadequate to perform the desired assessment. The consultant presented a list of additional information necessary to perform the desired analysis, such as each child’s targeted diagnosis and weight, and each medication’s dosage and frequency. In February 2016, the Medical Board met with Health Care Services and Social Services to request the additional information. Health Care Services responded in March 2016, stating that its claims system does not capture data for the targeted diagnoses, dosages, or frequency of the medications but that it could provide other data fields as substitutes. Health Care Services also said that Social Services could provide each child’s weight to the extent its data system captured that information. The Medical Board requested these substitute data fields but, according to the executive director, was still waiting as of April 2016 to hear from the two departments.

Because the Medical Board has not yet received the necessary information from Health Care Services and Social Services, it does not know when it will be able to complete this project. However, its executive director asserted that if this project is successful in identifying physicians who may have inappropriately prescribed psychotropic medications to foster children, the Medical Board will continue working with Health Care Services and Social Services to review their data on a regular basis.

### Off-label Use of Prescription Medications by Children

According to studies and other documents that we examined, physicians may prescribe medications for off-label uses, which are any uses that are not indicated on the medications’ approved drug labels. Federal regulations state that any prescription medication approved by the U.S. Food and Drug Administration (FDA) must contain a drug label that identifies its approved uses, including the target population, diagnosis, dosages, and method of administration. According to the FDA, most medicines prescribed for children have not been tested in children and, by necessity, doctors have routinely prescribed medications for off-label use in children. However, the safety and effectiveness of a medication may or may not extend to all age groups or diagnoses that were not tested, which could pose additional risks to a patient prescribed a medication for off-label purposes. Nevertheless, according to the American Academy of Child and Adolescent Psychiatry, it is ethical, appropriate, and consistent with general medical practice to prescribe medication off-label when clinically indicated.

**Sources:** California State Auditor’s review of the FDA’s regulations and website and of studies and other documents related to off-label use of medications.

### Health Care Services Does Not Ensure That Pharmacists Obtain Its Approval Before They Dispense Psychotropic Medications to Foster Children for Off-Label Uses

Health Care Services has not consistently ensured that pharmacists obtain its approval before they dispense psychotropic medications to foster children for purposes other than those indicated on the medications’ product labels. As the text box describes, such uses of prescription medications...
The chief of pharmacy benefits agreed that Health Care Services should consider programming its claims system to trigger TAR requirements for these psychotropic medications based on the patients’ ages. He also stated that Health Care Services should evaluate alternative tools and procedures to identify off-label use of medications and better enforce compliance with TAR requirements. For example, he stated Health Care Services could consider developing a process through which its Audits and Investigations Division could include off-label TARs in its retail pharmacy audits.

Finally, as discussed earlier, the Judicial Council recently adopted new and revised forms to request court authorization of psychotropic medications prescribed to foster children. These forms now require physicians to describe why they prescribed psychotropic medications not approved for a child this age. County staff can use this information to better ensure that foster children were properly prescribed psychotropic medications.

**Recommendations**

**Legislature**

To improve the State’s and counties’ oversight of psychotropic medications prescribed to foster children, the Legislature should require Social Services to collaborate with its county partners and other relevant stakeholders to develop and implement a reasonable oversight structure that addresses, at a minimum, the concerns identified in this audit report.

To improve the State’s oversight of physicians who prescribe psychotropic medications to foster children, the Legislature should require the Medical Board to analyze Health Care Services’ and Social Services data in order to identify physicians who may have inappropriately prescribed psychotropic medications to foster children. If this initial analysis successfully identifies such physicians, the Legislature should require the Medical Board to periodically perform the same or similar analyses in the future. Further, the Legislature should require Health Care Services and Social Services to provide periodically to the Medical Board the data necessary to perform these analyses.

**California Department of Social Services**

To improve the oversight of psychotropic medications prescribed to foster children, Social Services should collaborate with the counties and other relevant stakeholders—including Health Care Services, as
necessary—to develop and implement a reasonable oversight structure that ensures the coordination of the State’s and counties’ various oversight mechanisms as well as the accuracy and completeness of the information in Social Services’ data system. This structure should include at least the following items:

• Identification of the specific oversight responsibilities to be performed by the various state and local government agencies.

• An agreement on how county staff such as social workers, probation officers, and public health nurses will use printed Health and Education Passports to obtain foster children’s necessary mental health information—including psychotropic medications and psychosocial services—for inclusion in Social Services’ data system.

• A plan to ensure that counties have sufficient staff available to enter foster children’s mental health information into Social Services’ data system and the resources to pay for those staff.

• An agreement on the specific information related to psychotropic medication—including but not limited to the medication name, maximum daily dosage, and court authorization date—and psychosocial services and medication follow-up appointment information that county staff must enter into Social Services’ data system for inclusion in foster children’s Health and Education Passports.

• Specific directions from Social Services regarding the correct medication start dates and court authorization dates counties should include in its data system and foster children’s Health and Education Passports.

• An agreement on the training or guidance Social Services should provide to county staff members working with Social Services’ data system to ensure that they know how to completely and accurately update foster children’s Health and Education Passports.

• An agreement on how the counties will use information on the new authorization forms that the Judicial Council approved to better oversee the prescription of psychotropic medications to foster children.

• An agreement regarding how counties will implement, use, or disseminate the educational and informational materials the Quality Improvement Project has produced, including the California Guidelines for the Use of Psychotropic Medication with Children and Youth in Foster Care, Questions to Ask About Medications, and the Foster Youth Mental Health Bill of Rights.
- An agreement on the specific measures and the best available sources of data the State and counties will use to oversee foster children prescribed psychotropic medications, including psychosocial services and medication follow-up appointments.

- An agreement on how the State and counties will oversee psychotropic medications prescribed to foster children by fee-for-service providers who are not affiliated with county Medi-Cal mental health plans.

- An agreement on the extent of information related to psychotropic medications prescribed to foster children that counties will include in the self-assessments, system improvement plans, and annual progress reports they develop as part of Social Services’ California Child and Family Services Reviews.

- An agreement on the extent of the information related to psychotropic medications prescribed to foster children that counties will include in their responses to Health Care Services’ reviews, including its county Medi-Cal mental health plan compliance reviews and external quality reviews.

**California Department of Social Services and the Department of Health Care Services**

To ensure that the Medical Board can promptly complete its analysis to identify physicians who may have inappropriately prescribed psychotropic medications to foster children, Social Services and Health Care Services should continue to work with the Medical Board and its consultant to meet their data needs. If the Medical Board’s analysis is able to identify these physicians, Social Services and Health Care Services should enter into an agreement with the Medical Board to provide the information the Medical Board needs to perform similar analyses in the future.

**Department of Health Care Services**

To increase the State’s assurance that foster children do not receive medically inappropriate or unnecessary psychotropic medications, Health Care Services should devise and implement within six months methods to better enforce its prior authorization requirement for the off-label use of psychotropic medications. For example, Health Care Services should revise its claims system to automatically prompt pharmacists to submit treatment authorization requests when filling prescriptions for Medi-Cal beneficiaries under age 18 when the prescribed psychotropic medications have no FDA-approved pediatric uses. Furthermore,
as part of its collaboration with Social Services and the counties to
develop and implement a reasonable oversight structure, Health Care Services should determine whether information from the Judicial Council’s revised court authorization forms would help it better enforce its prior authorization requirements.

**Medical Board of California**

To ensure that physicians do not inappropriately prescribe psychotropic medications to foster children, the Medical Board should take the following steps:

- Within 60 days, obtain and analyze the data from Health Care Services and Social Services to identify physicians who may have inappropriately prescribed psychotropic medications for foster children.

- Following the completion of this analysis, take the appropriate follow-up actions that it deems necessary, including the investigation of physicians identified in its analysis.

- To the extent that its analysis is able to identify physicians who may have inappropriately prescribed psychotropic medications to foster children, the Medical Board should enter into an agreement with Health Care Services and Social Services within six months of completing its initial review to periodically obtain the data necessary to perform the same or similar analyses.
June 6, 2016

Elaine M. Howle
California State Auditor
Bureau of State Audits
621 Capitol Mall, Suite 1200
Sacramento, CA  95814

Re.: Draft Audit Report 2015-131 – California’s Oversight of Psychotropic Medications Prescribed to Children in Foster Care

Dear Ms. Howle:

The Medical Board of California (Board) is in receipt of your draft audit report regarding California’s oversight of psychotropic medications prescribed to children in foster care. The Board received the portions of the draft audit related to the Medical Board. I would like to thank the Bureau of State Audits for conducting this audit and for allowing the Board to respond to the issues presented in the audit report. The Board agrees that a proactive approach to this issue is essential in order to ensure appropriate prescribing to foster children. The Board has been working on this issue and, as stated in the report, is currently under a data usage agreement (DUA) with the Department of Health Care Services (DHCS) and the Department of Social Services (DSS) to obtain specified prescribing information for foster children. The Board is currently waiting for additional information that is necessary for the Board’s consultant to perform the desired data analysis assessment. This additional information was originally requested from DHCS and DSS by the Board in February 2016.

In addition, the Board has been working closely with Senator McGuire on his bill, SB 1174. This bill would add to the Board’s priorities, repeated acts of clearly excessive prescribing, furnishing, or administering psychotropic medications to children without a good faith prior exam and medical reason. This bill would require the Board to confidentially collect and analyze data submitted by DHCS and DSS, related to physicians prescribing psychotropic medications to children. The data that will be required to be submitted to the Board pursuant to this bill will ensure that the Board can review prescribing data on an ongoing basis to help identify physicians who may be inappropriately prescribing. The data the Board has received under the existing DUA is only a snapshot in time, for a six-month time period in 2014. Any information that can help the Board identify inappropriate prescribing can be utilized as a tool for the Board to use in its complaint and investigation process. Once a possible inappropriate prescriber is identified, the Board will still have to go through its normal complaint and investigation process. The Board believes this bill responds to the draft audit recommendations to the Legislature.

The Board would like to respond to the recommended steps the draft report suggests that the Board should take:

Recommendation: Within 60 days, obtain and analyze the data from DHCS and DSS to identify physicians who may have inappropriately prescribed psychotropic medications for foster children.

Response: The Board does plan on having the Board’s consultant analyze the additional data that has been requested from DHCS and DSS as soon as it is received. The Board will commit to requiring the Board’s consultant to perform an analysis of the data within 60 days of receipt.
Elaine M. Howle  
June 6, 2016  
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Recommendation: Following the completion of its analysis, take the appropriate follow-up actions, including the investigation of physicians identified in its data analysis, that it deems necessary.

Response: Once the Board’s consultant identifies physicians that need further review, the Board will begin its complaint and investigation process. The first step will involve asking assistance from DSS, as the data provided to the Board does not include names of foster children. Per the DUA, DSS will provide technical assistance, which includes, but is not limited to, facilitating contact with county child welfare agencies, the juvenile courts, county counsel, children’s attorneys and other relevant entities to assist the Board in securing a court order authorizing it to obtain child-specific information, including relevant medical records. Once the child-specific medical records are obtained, the Board will follow its normal complaint and investigation process, which is confidential.

Recommendation: To the extent that its analysis is able to identify physicians who may have inappropriately prescribed psychotropic medications to foster children, the Medical Board should enter into an agreement with DHCS and DSS within six months of completing its initial review to periodically obtain the data necessary to perform the same or similar analysis.

Response: If SB 1174 passes and is signed into law, similar prescribing data will be provided to the Board on an ongoing basis. If SB 1174 is not signed into law, the Board will work with DHCS and DSS to revise the existing DUA to ensure that the Board receives the most current data and that the Board receives this data on an ongoing basis. However, this revised DUA will have to be agreed upon by all parties involved.

The Board greatly appreciates the opportunity to respond to the draft report and its recommendations. The Board takes the recommendations in the draft report very seriously and believes that the issues raised are very important, as consumer protection is the Board’s primary mission. If you have any questions regarding this response, please contact me at (916) 263-2389.

Sincerely,

[Signature]

Kimberly Kirchmeyer  
Executive Director

cc: Alexis Podesta, Acting Secretary, Business, Consumer Services and Housing Agency  
Awet Kidane, Director, Department of Consumer Affairs
Audit Report 2015-131 – California’s Foster Care System – The State and Counties Have Failed to Adequately Oversee the Prescription of Psychotropic Medications to Children in Foster Care

Medical Board of California’s Recommendations and Responses

Recommendation 34:
Within 60 days, obtain and analyze the data from DHCS and DSS to identify physicians who may have inappropriately prescribed psychotropic medications for foster children.

Response – Fully Implemented as of August 2016:
The Medical Board of California's (Board's) consultant has analyzed the additional data that has been requested from the Department of Health Care Services (DHCS) and the Department of Social Services (DSS) and has identified physicians who may have inappropriately prescribed psychotropic medications to foster children. The Board provided DSS with a listing of the patient de-identifiers on August 8, 2016. Per the DUA, the Board requested assistance from DSS in obtaining authorizations for medical records for these foster children. DSS is currently working on obtaining feedback from each county in order to determine the best process to get the authorizations the Board needs to continue its investigations.

Recommendation 35:
Following the completion of its analysis, take the appropriate follow-up actions, including the investigation of physicians identified in its data analysis, that it deems necessary.

Response – Not Fully Implemented, Estimated Completion Date – April 1, 2017
The Medical Board of California (Board) has completed the first step of requesting assistance from the Department of Social Services (DSS), as the data provided to the Board does not include names of foster children. Per the DUA, DSS will provide technical assistance, which includes, but is not limited to, facilitating contact with county child welfare agencies, the juvenile courts, county counsel, children's attorneys and other relevant entities to assist the Board in securing a court order authorizing it to obtain child-specific information, including relevant medical records. Once the child-specific medical records are obtained, the Board will follow its normal complaint and investigation process to determine if discipline is warranted.

Recommendation 36:
To the extent that its analysis is able to identify physicians who may have inappropriately prescribed psychotropic medications to foster children, the Medical Board should enter into an agreement with DHCS and DSS within six months of completing its initial review to periodically obtain the data necessary to perform the same or similar analysis.

Response – Fully Implemented as of October 2016
Although the Medical Board of California (Board) has not entered into a new agreement with the Department of Health Care Services (DHCS) and the Department of Social Services (DSS), however, this is no longer necessary as SB 1174 (McGuire, Chapter 840, Statutes of 2016) was signed into law by the Governor.
SB 1174 requires DHCS and DSS to provide data to the Board on an annual basis, pursuant to a data-sharing agreement, including, but not limited to, pharmacy claims data for all foster children who are or have been on three or more psychotropic medications for 90 days or more. For each foster child who falls into this category, the following information shall be submitted to the Board: a list of the psychotropic medications prescribed; the start and stop dates, if any, for each psychotropic medication prescribed; the prescriber's name and contact information; the child or adolescent's year of birth; the unit and quantity of the medication and the number of days' supply of the medication; and any other information that is de-identified and necessary to the Board to allow the Board to exercise its statutory authority as an oversight entity.

This bill requires the Board to review this data on a quarterly basis to determine if any potential violations of law or excessive prescribing of psychotropic medications inconsistent with the standard of care exist and, if warranted, conduct an investigation. If the Board investigates a physician for inappropriate prescribing and concludes that there is a violation of law, the Board must take appropriate disciplinary action. This bill requires the Board to report this data annually to the Legislature in its annual report.

Since SB 1174 has been signed into law, this prescribing data will now be provided to the Board on an on-going basis.