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ENTREPRENEURSHIP

January 25, 2022

Todd Spitzer
Orange County District Attorney
300 N. Flower Street,
Santa Ana, CA 92703

## RE: Irresponsible Operators with Pending Licenses for a Social Rehabilitation Facility

Dear Mr. Spitzer,

Thank you for being a partner in patient protection. I am writing to express my concern about an operator in our community, Acera Health, who has applied for licenses at the California Department of Social Services (CDSS) to operate social rehabilitation facilities in Orange County. I appreciate your focus on ensuring that there are patient protections in this industry. We know that an operator's ability to abide by regulations is an important indicator of the quality of care they will offer vulnerable patients. Regulations are established to ensure patient safety and healthy outcomes. However, the residents of the Upper Newport Bay community have brought to my attention that Acera Health has violated several regulations for social rehabilitation operators.

It is my understanding that before a facility is licensed, if they break laws and regulations that you are equipped to stop them from operating and potentially harming a rehab patient, and holding them accountable should the violations prove to be true. In October, I asked CDSS and DHCS to investigate these violations and deny Acera Health's license requests based on what I see as clear violations of current law. If Acera Health is licensed to operate these facilities, they will have the opportunity to fix their past violations and will subsequently fall under the jurisdiction of CDSS.

Some examples of their violations include the following: on or about August 21, 2021 demolition of the interior of the 2555 Vista Baya, Newport Beach property began. The construction activity continued over the next two weeks including late evenings after dark. City officials uncovered the construction was being performed without approved construction permits. September 1, 2021, the City issued a Stop Work notice for "no building permit", "no electrical permit", "no mechanical permit." In reviewing Acera Health's website, local residents noted that language on their website had several references around treatment for sobriety or chemical dependency. Acera Health does not have a drug rehab license, therefore this online advertising is false and misleading to vulnerable mental health clients. This is a violation of the False Claims Section 80012 DSS Regulations Manual. To make matters worse, their website solicited patient insurance information before being licensed which violates regulation number 80011.

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Thank you for your prompt attention to this matter. Acera Health's actions to date have shown complete disregard for the health, welfare, and safety of all future clients that they would purport to serve. Likewise, the proposed operator has forfeited all trust and good faith amongst the surrounding residents.

We need your help to make sure that operators know if they break the rules in Orange County, we will stop them from putting patients in harm's way. If you would like to discuss this further, please don't hesitate to contact me or my Chief of Staff, Claire Conlon, at 949-251-0074.

Sincerely,

Assemblywoman Cottie Petrie-Norris

C Returnous