

Review

Secretary of State Audit - Department of Human Services Aging and People with Disabilities (Report 2017-23)

Secretary of State Audit Plan Item

Title of Audit: Consumer-Employed Provider Program Needs Immediate Action to Ensure In-Home Care Consumers Receive Required Care and Services

Recommendation: Acknowledge receipt of the report and consider findings and agency responses during the 2019 session, including ensuring that agency practices comply with laws, rules, and policies.

Overview:

Scope and Purpose of Audit: The Secretary of State's Audits Division identified the need for a performance audit to be conducted on the Department of Human Services adult foster care program. During the scoping of that project, the audit focus was refined and the audit was conducted on performance of the In-Home Care programs within the Department of Human Services Aging and People with Disabilities (APD) program.

The purpose of the completed audit was to assess the policies and processes used by APD to ensure the needs of consumers in the Consumer-Employed Provider (CEP) program are met. It should be noted that there is not a stand-alone program known as the Consumer-Employed Provider program within the Department of Human Services organization or budget; that program definition was created for purposes of the audit.

Audit Recommendations: The audit identified eleven recommendations to help ensure the needs of each consumer in the CEP program are met. The recommendations include additional training and skills assessment, decreased workload for case managers, and additional tracking and use of pertinent data. Many of these recommendations either directly or indirectly are likely to require additional funding for the program. Two of the eleven audit recommendations are to ensure program practices align with current federal requirements, Oregon Administrative Rules, or APD policies. These are:

- Monitor consumer care to ensure direct and indirect contacts are occurring according to the Center for Medicare and Medicaid Services (CMS) requirements and Oregon Administrative Rules.
- Track compliance with risk-based monitoring in accordance with current APD policies.

All other recommendations are changes or enhancements to the program based on practices in other states, information received from agency staff and clients, and the assessment of the auditors. (For a full listing of the audit findings, go to sos.oregon.gov/audits/Documents/2017-23.pdf)

Agency Response: In general, the agency agreed with the audit findings, and, in several cases, states that work will be done in the upcoming months to address specific findings. The agency notes that monitoring of direct and indirect contacts is occurring and is reported to CMS. For the past six months, the compliance has been 94-96%. To track compliance in accordance with APD policies, the

agency intends to develop new reports which will require system changes. This work should be completed by September 30, 2018.

Analysis:

As noted above, the audit identified areas of non-compliance with certain federal or state requirements. The agency response to those findings appears to be sufficient to ensure appropriate compliance. In addition, the agency agrees with the audit finding concerning issues with the sustainability of the current program model for Home Care Workers and notes that it is evaluating alternate models for managing and supporting this workforce.

In follow up with the agency by the Legislative Fiscal Office, the agency states that the work they have identified that will be completed in response to the audit can, for the most part, be completed within existing resources. In the case of some of the recommendations, the agency was aware of the issues and had already been taking steps to address the issues. In addition, the agency has begun working on addressing other recommendations from the audit. The agency notes that some of the recommendations may require additional funding to be implemented; such changes should be part of future legislative discussions.

Some of the audit recommendations suggest changes or enhancements to the program, services, or staffing model in order to meet the needs of the affected clients. Many of these recommendations will require policy or law change, as well as additional funding. Some of these changes have been discussed and considered in past legislative hearings on the CEP program, but additional funds for such changes or enhancements were ultimately not included in the final balanced budget.

The audit notes that there are Key Performance Measures (KPMs) that relate to the CEP program. However, the audit does not comment on whether these measures are appropriate for the program or on whether the agency should be making better progress on the measures. The audit does not clearly provide information on whether, overall, the agency is meeting the needs of clients as effectively as possible within the currently appropriated resources for the program.

Recommendation:

The Legislative Fiscal Office (LFO) recommends acknowledging receipt of the audit report. LFO expects the agency to complete the changes that they outline in their agency response to the audit and to provide notification when the work is completed. Based on the audit findings and agency response, it does not appear that any change to current law is needed at this time; however, information included in the report and the agency response to that information would indicate that policies and laws for this program should continue to be monitored and evaluated to ensure the program is operating as effectively as possible within available resources.

LFO notes that discussions regarding program changes or enhancements for this program should continue to be part of the regular policy and budget discussions and hearings for the agency. Specific audit findings from this audit may be taken into consideration during the 2019 session, but should be evaluated in the context of all DHS programs and services. Ultimately, decisions on program and service levels for state programs, as well as funding, continue to need to be made within the context of total available statewide resources and priorities.