



MAY 10 2012

Ms. JoAnn Knupp, Owner
Care for People Plus
PO Box 359
Bellefonte, Pennsylvania 16823

Dear Ms. Knupp:

I am enclosing the final report of the audit of Care for People Plus, recently completed by this office. Your response has been incorporated into the final report and labeled Appendix A.

The final report will be forwarded to the Department's Office of Developmental Programs (ODP) to begin the Department's resolution process concerning the report contents. The staff from ODP may be in contact with you to follow up on the actions taken to comply with the report's recommendations.

I would like to extend my appreciation for the courtesy and cooperation extended to my staff during the course of the fieldwork.

Please contact David Bryan, Audit Resolution Section, at 717-783-7217 if you have any questions concerning this audit.

Sincerely,

Tina L Long

Tina L. Long, CPA
Director

Enclosure

c: Mr. Timothy Costa
Mr. Kevin Friel
Mr. Robert Conklin



MAY 10 2012

MAILING DATE

Mr. Timothy M. Costa
Executive Deputy Secretary
Health & Welfare Building, Room 333
Harrisburg, Pennsylvania 17120

Dear Mr. Costa:

In response to a request from the Office of Developmental Programs (ODP), the Bureau of Financial Operations (BFO) conducted a performance audit of Care for People Plus (CPP). The audit was designed to verify the accuracy and legitimacy of PROMISE billings and determine if services were provided in accordance with the approved Waivers. Our audit period was from January 1, 2011 through August 31, 2011.

The report is currently in final form and therefore contains CPP's views on the report findings, conclusions, or recommendations. CPP's response to the draft report is included as Appendix A. The data used to prepare the report findings was discussed at closing conference held with CPP on January 19, 2012. An exit conference was held on April 20, 2012 to discuss the provider's response to the Draft Audit. The BFO made no changes to the draft audit.

Care For People Plus
Executive Summary

CPP is a private family business that provides caregivers to consumers enrolled in the various wavier programs offered by the Office of Developmental Programs (ODP). The three major categories of service are respite, habilitation, and companion care. The CPP main office is located in Centre County and there are various satellite offices located throughout the Counties which they serve.

FINDING NO. 1	SUMMARY
<p><u>Unsubstantiated</u> <u>PROMISE Claims result</u> <u>in \$102,395</u> <u>Disallowance.</u></p>	<p>An examination of a statistical random sample of claims was performed to determine if documentation existed. CPP used two different systems of documentation during the audit period. The BFO determined \$7,424 of exceptions existed from the sample of one of the systems. Extrapolation of this variance over the entire population of reimbursed claims results in a disallowance of \$102,350. The BFO tested the second system and found only one disallowance of \$45.</p>

HIGHLIGHTS OF RECOMMENDATIONS	
ODP should: <ul style="list-style-type: none"> Recover \$102,395 from CPP due to the lack of documentation for services provided 	
CPP should: <ul style="list-style-type: none"> Ensure that all claims submitted for reimbursement are appropriately documented 	

FINDING NO. 2	SUMMARY
<u>Home and Community Habilitation Services need to be defined</u>	CPP billed PROMISE for both companion care and habilitation services. However, in many instances the nature of the service provided was either too vague to make a determination if the service was habilitation or companion care. In addition, the outcome provided in the ISP could apply to either of the service definitions.

HIGHLIGHTS OF RECOMMENDATIONS	
ODP should: <ul style="list-style-type: none"> Clearly define Service Definitions and clarify appropriate HAB and Companion activities. Ensure SC's are approving ISPs that are written with specific, clear, defined outcomes and outcome action statements. This should be completed in conjunction with the provider and would ensure that consumers are receiving the appropriate services to achieve their goals. 	
CPP should: <ul style="list-style-type: none"> Adequately document the services provided to the consumers. The notes should be detailed and specific and easily tie into the consumer's outcomes and goals. In addition, CPP should ensure all contractors that provide direct service is adequately informed of the documentation standards 	

FINDING NO. 3	SUMMARY
<u>Current Practice in ODP allows Generic Checklist Instead of Progress Note.</u>	ODP does not enforce the requirements of progress notes as providers are allowed to use a generic checklist to describe the services provided to the individual. There were many instances found in our review, where the only documentation was the checklist along with the timesheets. These checklists do not provide enough information to determine the progress of the client to conform with Bulletin 00-07-01

HIGHLIGHTS OF RECOMMENDATIONS

ODP should:

- Communicate and enforce the provisions of Bulletin 00-07-01 with regards to progress notes to ensure documentation of the client's progress towards goals and outcomes provided in the ISP.

CPP should:

- Require workers to follow the guidelines provided in Bulletin 00-07-01

Background

CPP is a private family business that provides caregivers to consumers enrolled in the various waiver programs offered by the Office of Developmental Programs (ODP). The three major categories of service are respite, habilitation, and companion care. CPP main office is located in Centre County and has various satellite offices throughout the Counties which they serve.

Objective/Scope/Methodology

The audit objective, developed in concurrence with the ODP was:

- To verify the accuracy and legitimacy of Care for People Plus PROMISE billings and determine if services were provided in accordance with the approved Waivers.

In pursuing our objectives, the BFO interviewed management and staff members from CPP. We also reviewed client case records, timesheets, ISP's, and other pertinent documentation necessary to complete our objectives.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Government auditing standards also require that we obtain an understanding of internal controls that are relevant to the audit objectives described above. The applicable controls were examined to the extent necessary to provide reasonable assurance of the effectiveness of those controls. Based on our understanding of the controls, a number of deficiencies were identified. These deficiencies and other areas where we noted an opportunity for an improvement in management's controls are addressed in the findings and observation of this report.

Fieldwork for this audit took place intermittently between October 5, 2011 and December 31, 2011. The report, when presented in its final form, is available for public inspection.

Result of Fieldwork

Finding No. 1: Unsubstantiated PROMISe Claims result in \$102,395 Disallowance.

The BFO examined a statistically random sample to determine if PROMISe claims were substantiated by the proper documentation. Current practice allows providers to use a checklist or progress note to describe the service being rendered. During our audit period, CPP used two different systems of data collection to substantiate the claims.

The first system, which was utilized until the middle of February, 2011, required the direct care worker to submit a timesheet for hours worked and record service notes in a journal at the residence of the client. CPP never required the worker to attach the notes to the timesheet for billing purposes. For the majority of the claims during this time frame, CPP could not provide service notes. Upon questioning the absence of the service notes we were informed that the direct care workers did not record every encounter, the family misplaced or discarded the journal and in some instances the consumer was no longer receiving service and the notes were no longer available. The exceptions identified during this period totaled \$7,424. When extrapolated over the population for the time frame, it results in a disallowance of \$102,350.

During February of 2011, CPP changed the form and documentation requirements required of the worker. The new form, which is attached to the timesheet, provides a checklist and an area for notes for the timeframe of the service. These forms are to be sent to CPP, which are then used for billing. Our testing of the sample during this timeframe, only found one exception of \$45. Our analysis of the internal controls developed by CPP for the use of this form lead us to the conclusion that the population was valid and an extrapolation of the identified error would be inappropriate. The \$45 error was added to the total questioned above.

Recommendations

The BFO recommends that OPD recover \$102,395 due to the lack of documentation for services provided.

The BFO also recommends CPP ensure that all claims submitted for reimbursement are appropriately documented.

Finding No. 2 –Home and Community Habilitation Services Need to be Defined

CPP's Documentation/Bill identifies the types of activities direct care staff perform with the consumer on an on-going basis. This form is a standard checklist with an area that allows the caregiver to add additional notes to the service provided. We examined CPP's documents and in many instances the nature and description of the service rendered was too vague to determine what service was provided.

Care For People Plus
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The BFO reviewed the current service definitions for companion care and HAB. The outcome for companion services per the definition is for assistance and supervision of the individual to ensure health and welfare. HAB is defined as direct service (face-to-face) provided in home and community settings to assist individuals in acquiring, maintaining, and improving self-help, domestic, socialization, and adaptive skills necessary to reside successfully in home and community-based settings. Services consist of support in the general areas of self-care, communication fine and gross motor skills, mobility, therapeutic activities, personal adjustment, relationship development, socialization, and use of community resources. Habilitation may be provided up to 24 hours a day based on the needs of the individual, to protect the individual's health and welfare.

Our review of the activities that CPP provided and the outcomes developed within the ISP leads us to believe that the services provided could be billed at either service definition. In fact, there were instances where both companion services and habilitation services were provided by the same worker and were billed from the same notes. There were also examples where services that were provided were billed according to the ratio of units provided in the ISP.

The services being provided are almost identical to the Office of Long-Term Living's attendant care program, which provides an attendant to ensure the health and welfare of the consumer. Due to the vague service definitions, the BFO is unable to determine the appropriate service classification that was provided by CPP.

ISP Outcomes and Outcome Actions are Vaguely Written

ODP Bulletin 00-10-12, "Individual Support Plans" outlines standardized processes for preparing, completing, documenting, implementing and monitoring ISPs. The ISP Manual (Attachment 1 of the Bulletin) states that outcome statements are joined with outcome actions. Outcome actions specify what will occur to achieve the outcome. An outcome attached to HAB should show how the individual will learn, maintain or achieve the skill.

In many instances, we found that the ISPs used generic outcome and outcome action language. This creates an uncertainty regarding the type of service best suited for the consumer to accomplish their goals. For example, ISP outcomes included the following:

- "caregivers to assist individual with day to day activities such as exercise, brushing her teeth, washing her face"
- "caregivers will assist Individual to participate in out of home activities."
- "assist individual with feeding and daily assistance."
- "assist individual with daily living skills."

Recommendations

The BFO recommends that ODP clearly define Service Definitions and clarify what activities constitute HAB and Companion services.

The BFO further recommends that ODP ensure SC's are approving ISPs that are written with specific, clear, defined outcomes and outcome action statements. This should be completed in conjunction with the provider and would ensure that consumers are receiving the appropriate services to achieve their goals.

The BFO finally recommends that CPP adequately document the services provided to the consumers. The notes should be detailed and specific and easily tie into the consumer's outcomes and goals. In addition, CPP should ensure all contractors that provide direct service are adequately informed of the documentation standards.

Finding No. 3: Current Practice in ODP allows Generic Checklist Instead of Progress Note.

ODP Published Bulletin 00-07-01, which provides guidance to Providers and Administrative entities on the documentation requirements for Waiver Services billed to PROMISE. ODP's policy is that "Providers shall maintain the following information in electronic form or in paper copy, date of service, name of individual for which service was provided, documentation that services provided are listed in ISP, information that substantiates that services listed in ISP are the services provided (i.e. progress notes), and if applicable, the amount of staff provided to support the ratio of staff time."

The Bulletin further explains the requirement for progress notes. Progress notes are written reports in paper or electronic form that detail how the provider's support assists the individual to achieve an approved plan outcome and/or how lack of progress in achieving the outcome will be remedied.

ODP does not enforce the requirements of the bulletin as providers are allowed to use a generic checklist to describe the services provided to the individual. There were many instances found in our review, where the only documentation was the checklist along with the timesheets. These checklists do not provide enough information to determine the progress of the client.

Recommendations

The BFO recommends that OPD communicate and enforce the provisions of Bulletin 00-07-01 with regards to progress notes to ensure documentation of the client's progress towards goals and outcomes provided in the ISP.

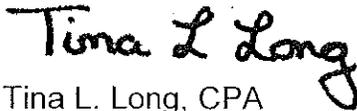
The BFO also recommends CPP should require workers to follow the guidelines provided in Bulletin 00-07-01.

Care For People Plus
January 1, 2011 – August 31, 2011

In accordance with our established procedures, an audit response matrix will be provided to ODP. The ODP will be responsible for completing the matrix and forwarding it to the DPW Audit Resolution Section within 60 days. The response to each recommendation should indicate ODP's concurrence or non-concurrence, the corrective action to be taken, the staff responsible for the corrective action, the expected date that the corrective action will be completed, and any related comments.

Please contact David Bryan, Audit Resolution Section at (717)783-7217 if you have any questions concerning the audit or if we can be of any further assistance in this matter

Sincerely,



Tina L. Long, CPA
Director

c: Secretary Gary Alexander
Ms. Joann Knupp
Mr. Kevin Friel
Mr. Robert Conklin

**CARE FOR PEOPLE PLUS
RESPONSE TO THE DRAFT REPORT**

APPENDIX A

CARE FOR PEOPLE PLUS, INC.

141 W. High St.
P.O. Box 359
Bellefonte, PA 16823
814-353-3432

March 30, 2012

Mr. Brian Pusateri, CPA, CFE
Audit Manager
Bureau of Financial Operations
Department of Public Welfare
Room 325 Scranton State Office Building
100 Lackawanna Avenue
Scranton, Pennsylvania 18503

RE: Response to the BFO Audit

Dear Mr. Pusateri:

Care For People Plus ("CFPP") has been providing caregiving services to MH/ID consumers across Pennsylvania since 1999. CFPP first entered into this relationship at the behest and invitation of the administrative entities in Lackawanna & Wayne counties. CFPP's companion business, Care For People, had worked in Lackawanna and Wayne counties for many years, providing services to the elderly. The AEs were consistently pleased with the quality of the services we provide, which is why they encouraged us to expand to provide services to MH/ID consumers.

When CFPP first began providing services, the MH/ID program was operated at the county level. As such, we worked closely with service coordinators in each county and depended on their experience and knowledge to guide us as we made the foray into a new line of business. For nearly the first decade of operating CFPP, all guidance was sought and received from the county level administrative entities and service coordinators. The dialogue and reliance on the administrative entities and county-level service coordinators was critical to us, especially because each county interpreted, communicated and administered the extant regulations differently and conveyed differing expectations. The forms and systems of documentation used by CFPP were developed and implemented almost entirely based on the guidance and direction provided at the county level.

Now that the program has been consolidated at the state level, we have been diligently and in good faith attempting to modify and update our procedures to conform to the current regulations. Evidence of this is the fact that prior to the audit performed by the Bureau of Financial Operations (the "Bureau"), we made significant changes to the form and documentation requirements for our workers. The Bureau acknowledge in its draft report (the "Draft Report") dated February 13, 2011, that these modified internal controls have achieved an acceptable level of compliance.

Action Taken To Comply With Audit Report Recommendations:

As acknowledged in the Draft Report, CFPP modified its procedures in February 2011 to achieve greater and more accurate documentation of the services provided by CFPP workers. Until February 2011, we documented our work by placing log books in the homes of all consumers. The caregivers were directed to make regular notes of ISP-related activities. We instituted this system at the suggestion of the AE in Wayne County. The procedure was subsequently approved by the AE/SCs in all of the other counties in which CFPP operates. Given our long-standing reliance on guidance and approval at the county-level, we believed this system satisfied the regulatory requirements. Moreover, it was our internal policy to institute procedures compliant with the demands and expectations of the county AE/SCs.

As the program transitioned to the state-level, we began to realize that our system was not necessarily as thorough as it should be to achieve the level of documentation desired by the Office of Developmental Programs. While we always instructed the consumers and their families, as well as the caregivers, to maintain the log books, a significant number ended up lost or discarded. We realized that this was most frequently occurring at the conclusion of a case. Recognizing this deficiency, we took the initiative to modify our procedures.

In February 2011 we instituted a new procedure requiring our workers to use a new consolidated form on which there is a checklist of typical activities, space for specific progress notes or comments, as well as a place for the caregivers to log and discriminate their time. We also now require our caregivers to submit these forms in order to get paid.

As recognized in the Draft Report, our new procedure for documenting services provided is achieving the level of documentation required by ODP. We ask that it be taken into consideration that we instituted these changes upon our own volition, prior to the BFO audit, when the Bureau determines whether to seek to recover the \$102,395 for the services that the Draft Report concludes were not adequately documented. We also ask the Bureau to reconsider the decision to recover the \$102,395 for the additional reasons set forth below.

Existing Evidence to Support CFPP's PROMISe Claims:

While recognizing that the system of documentation used prior February 2011 has been determined by the Bureau to be deficient, we would like to re-emphasize that the system had been acceptable to the county AEs and SCs for nearly a decade. Furthermore, evidence and documentation does exist that could be compiled in order to substantiate many of CFPP's PROMISe claims.

First, both the caregivers and the consumers signed each time slip. Their signatures attest to the fact that the authorized care was performed within the scope of the ISP. These time slips are an acceptable manner by which to meet the requirements of an encounter from in Pennsylvania. Most, if not all, of these documents are available and would be produced at the Bureau's request. Most importantly, the time slips demonstrate that services were delivered. While the time slips may lack the full detail required by ODP, they unequivocally demonstrate that services were rendered. Thus, while not necessarily evidence justifying total elimination of the \$102,395 payback, these documents should be considered when determining whether the full recovery of \$102,395 is reasonable or justified.

Second, the consumers and/or their families could surely attest to much of what was specifically done by our caregivers on their behalf. If needed, affidavits could be gathered from any or all concerned parties, including caregivers, about whether care was delivered as prescribed. If the Bureau is amenable to this idea we would be happy to undertake to provide supporting documentation of this variety.

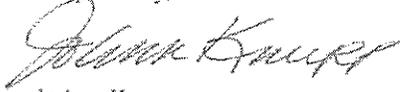
Conclusion:

We have been diligently striving to comport with all of the rules and regulations implemented by ODP. After nearly a decade of conforming our practices to the demands of various county AEs and SCs, our transition to the consolidated program run by ODP has not been easy. We have been, however, in good faith attempting to achieve full compliance. Our internal review that resulted in the modified procedures put in place in February 2011 is evidence of this.

As a small business, a payback of \$102,395 could have a grave impact on our ability to remain in business and to continue providing services. We ask that this be considered when the final report is drafted. We also implore that the Bureau consider the fact that these services were actually rendered and can be substantiated by the signed time sheets. We would like the opportunity to work with you to produce these so that the \$102,395 payback can be reduced.

We thank you for your consideration.

Respectfully,



JoAnn Knupp

On behalf of

Care For People Plus

cc: Mr. Kevin Friel
Mr. Robert Conklin
Mrs. Susan Knupp