pennsylvania
DEPARTMENT OF PUBLIC WELFARE

July 30, 2014

Ms. Susan Schonfeld, Chief Executive Officer
Community Integrated Services
441 North 5th Street
Philadelphia, Pennsylvania 19123-4008

Dear Ms. Schonfeld:

I am enclosing for your review the final audit report of Community Integrated Services as prepared by the Division of Audit and Review (DAR). Your response has been incorporated into the final report and labeled as an Appendix. The report covers the period from July 1, 2010 to June 30, 2012.

I would like to express my appreciation for all of the courtesy extended to my staff during the course of the fieldwork. I understand that you were especially helpful to Timothy N. Rausch in completing the audit process.

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

If you have any questions concerning this matter, please contact David Bryan, Audit Resolution Section at [redacted]

Sincerely,

Tina L Long

Tina Long, CPA
Director

Enclosure

c: Mr. Jay Bausch
Ms. Patricia McCool
Mr. Deborah Donahue
Ms. Rochelle Zaslow
Mr. Timothy O'Leary

bc: Mr. Alexander Matolyak
Mr. Daniel Higgins
Mr. David Bryan
Mr. Michael A. Sprow
Ms. Shelley Lawrence
SEFO Audit File (S1308)

Some information has been redacted from this audit report. The redaction is indicated by magic marker highlight. If you want to request an unredacted copy of this audit report, you should submit a written Right to Know Law (RTKL) request to DHS's RTKL Office. The request should identify the audit report and ask for an unredacted copy. The RTKL Office will consider your request and respond in accordance with the RTKL (65P.S. §§ 67.101 et seq.) The DHS RTKL Office can be contacted by email at: ra-dpwrtkl@pa.gov.

pennsylvania
DEPARTMENT OF PUBLIC WELFARE

July 30, 2014

Mr. Brendan Harris, Executive Deputy Secretary
Department of Public Welfare
Health & Welfare Building, Room [redacted]
Harrisburg, Pennsylvania 17120

Dear Deputy Secretary Harris:

In response to a request from the Office of Developmental Programs (ODP), the Bureau of Financial Operations (BFO) initiated an audit of Community Integrated Services (CIS). The audit was designed to investigate, analyze and make recommendations regarding the reimbursements from the Provider Reimbursement and Operations Management Information System (PROMISe) for client care. Our audit covered the period from July 1, 2010 to June 30, 2012 (Audit Period).

This report is currently in final form and therefore contains CIS's views on the reported finding, conclusions and recommendations.

Executive Summary

CIS provides services through participation in the Home and Community-Based Services waiver programs, such as the Consolidated and P/FDS waivers funded by ODP. CIS also provides services to consumers who are funded with ODP Base funds.

The report finding and recommendations for corrective action are summarized below:

FINDING	SUMMARY
Finding No. 1 – Most Activity Notes Were not Very Descriptive and had no Starting or Ending Times	Most of the activity notes were sparsely written and barely descriptive of the services billed. The notes contained no times. A separate document, a Daily Activity Log (DAL), was completed by the employees. Although the DAL lists time by quarter-hour increments, no starting or ending times were recorded.

HIGHLIGHTS OF RECOMMENDATIONS

ODP should:

- Review CIS's software and internal controls that were acquired and implemented after the Audit Period to verify that employee service starting and ending times are being recorded, and that activity note descriptions include the level of service delivery details necessary under the 55 Pa. Code Chapter 51 regulations.

CIS should:

- Only claim reimbursement for services that are supported by adequate documentation.

Community Intergrated Services
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See Appendix A for the Background; Objective, Scope and Methodology; and Conclusion on the Objective.

Results of Fieldwork

Finding No. 1 – Most Activity Notes Were not Very Descriptive and had no Starting or Ending Times.

CIS's principal waiver service is supported employment. Supported employment services can be separated into two categories: job search and job support.

Job search activities consist of interviewing, making recommendations, training and providing information to consumers to assist them in obtaining gainful employment that is suitable for their particular skill set and goals. The job search could be short or it could be extensive. Often job searches are repetitive because not every placement is a good fit. Once on the job, CIS's job coaches perform the job support activities which are intended to assist consumers in maintaining employment and sharpening their work-related skills.

CIS's employees create some activity notes electronically for consumers who received supported employment services. The activity notes were initialed when a hard copy was printed and placed in the consumer's file. Other activity notes were hand written. The activity notes were dated, but in most cases listed no times (starting time, ending time or duration of service).

Job coaches recorded their time on a separate document known as the Daily Activity Log (DAL). Each CIS employee who assisted consumers would record his or her time on their DAL by day, by consumer and by billable unit increment. However, the DAL was not signed or dated to reflect the date it was prepared by the employee. The DAL had no starting or ending times.

Except for the few activity notes that contained starting and ending times, the BFO reviewed a third document, the daily coach-consumer schedules, in order to determine what time of day the services that were billed were scheduled to occur.

Best practices would be for the job coaches to specify starting and ending times to more accurately track their billing times and durations of service as a part of the activity note.

Certain activity note descriptions tested during the Audit Period do not meet the requirements of the 55 Pa. Code Chapter 51 regulations effective July 1, 2012. For instance, one activity note that covers 5 units of supported employment stated: "[redacted] did a great job today." Other entries were simply "Job Find – (Employer's Name)" billed as 1 to 4 units. In such instances, it's uncertain whether the job coach made an application on behalf of a consumer, discussed an application with a consumer and/or employer, started an application but did not finish, or any other activity. The BFO recognizes that the audit period predates the effective date of the Chapter 51 regulations. However, CIS is on notice to comply prospectively as it relates to activity note documentation.

Community Intergrated Services
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Recommendations

The BFO recommends that ODP review CIS's software and internal controls that were acquired and implemented after the Audit Period to verify that employee service starting and ending times are being recorded and that activity note descriptions include the level of service delivery details necessary under the 55 Pa. Code Chapter 51 regulations.

The BFO also recommends that CIS only claim reimbursements for services that are supported by adequate documentation.

Exit Conference

An Exit Conference was held on July 21, 2014. The audit report and CIS' response were discussed to the level necessary to ensure comprehension of the documents and the resolution process as well as remedial steps taken by CIS to design its daily activity note system to be in full compliance with the applicable regulations. Based on the exit conference and CIS' response to the draft audit report, no changes were made to the report.

In accordance with our established procedures, an audit response matrix will be provided to ODP. Once received, ODP should complete the matrix within 60 days and email the Excel file to the DPW Audit Resolution Section at:

[redacted]

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

Sincerely,

Tina L Long

Director

c: Mr. Jay Bausch
Ms. Patricia McCool
Mr. Deborah Donahue
Ms. Rochelle Zaslow
Mr. Timothy O'Leary

bc: Mr. Alexander Matolyak
Mr. Daniel Higgins
Mr. David Bryan
Mr. Michael A. Sprow
Ms. Shelley Lawrence
SEFO Audit File (S1308)

COMMUNITY INTEGRATED SERVICES

APPENDIX A

APPENDIX A

Background

CIS is a privately held nonprofit corporation located in [redacted]. The company was established in 1991 to assist consumers to reach their full potential as productive, socially centered and personally fulfilled individuals by providing habilitation and supported employment services. CIS provides services to consumers with special developmental needs.

CIS serves consumers who are approved by ODP. ODP funds the waiver eligible and base-funded services which are paid through the PROMISe reimbursement process.

Objective/Scope/Methodology

The audit objective, developed in concurrence with ODP was:

- To determine if CIS has adequate documentation to substantiate its paid claims through PROMISe for services delivered.

The criteria used to ascertain the adequacy of supporting documentation was 55 Pa. Code Chapter 51, 55 Pa. Code Chapter 1101 and pertinent Federal Waiver requirements.

In pursuing this objective, the BFO interviewed ODP personnel and CIS's management. We also analyzed books, payroll records, care-giver time sheets, activity notes, daily activity logs, employee-consumer schedules, billing data, PROMISe reimbursement data, and electronic records available in the Home and Community Services Information System (HCSIS) and other pertinent data necessary to pursue the audit objective.

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

Government auditing standards require that we obtain an understanding of management controls that are relevant to the audit objective 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, there were no material deficiencies in billing procedures. Areas where we noted an opportunity for improvement in management controls are addressed in the findings of this report.

The BFO's fieldwork was conducted intermittently from April 1, 2014 to April 9, 2014 and was performed in accordance with GAGAS. This report is available for public inspection.

Conclusion on the Objective

In conclusion, CIS generally met the documentation requirements for reimbursement of PROMISe claims during the Audit Period. However, BFO notified CIS's management that the available documentation may not meet the new standards enumerated in the 55 Pa. Code Chapter 51 regulations that became effective on July 1, 2012.

COMMUNITY INTEGRATED SERVICES

APPENDIX B

441 N. 5th St., Suite 210
Philadelphia, PA 19123
V. 215-238-7411
F. 215-238-7423

CIS | Community Integrated Services

www.cisworks.org

18 West Main Street
Middletown, DE 19709
V. 302-376-8259
F. 302-376-8261

July 21, 2014

Mr. Daniel Higgins, Audit Manager
Division of Audit and Review
Bureau of Financial Operations
Department of Public Welfare
[redacted]

Dear Mr. Higgins,

This letter is written in response to the 'draft' performance audit report prepared for Community Integrated Services for the period July 1, 2010 to June 30, 2012.

We do concur with the finding that the activity notes for the period of time reviewed were, at times, not descriptive enough to meet the guidelines under 55 PA. Code Chapter 51 regulations. However, as noted, these regulations were not in effect during the review period. It should be noted that we did however begin using a software package through [redacted] effective July 2013, to better capture staff activity. This software meets all the requirements of the regulations including staff beginning and end times, frequency and duration of efforts on behalf of consumers served. Additionally billing for services provided occurs directly off of this [redacted] system eliminating the need for staff to complete separate DAL's hence minimizing error.

I would like to additionally note that monthly summaries containing frequency and duration information along with all the requisite information as outlined in the regulations have been in use throughout our agency even during the audit period and were available for review by the field auditors. These continue to be completed and shared with all teams for all consumers served through CIS.

Following this audit, we have increased our Quality Assurance efforts as well and will be conducting continuous quality assurance checks on all written documentation as well as on-site service provision. Again, this was in effect during the audit period however we will increase our efforts in this area as well to insure quality service provision.

Lastly, as part of our annual training, all staff has been retrained in June 2014 on documentation, billing and quality assurance. This will continue on an ongoing basis.

Thank you and your staff for reviewing our program.

[redacted]