



October 16, 2012

Mr. Chris Lloyd
Chief Executive Officer
Disability Options Network
101 S. Mercer Street
New Castle, Pennsylvania 16101

Dear Mr. Lloyd:

I am enclosing the final report of Disability Options Network that was recently completed by this office. Your response has been incorporated into the final report and labeled as Appendix A.

The final report will be forwarded to the Department's Office of Long Term Living (OLTL) to begin the Department's resolution process concerning the report contents. The staff from OLTL may be in contact with you to follow up on the corrective action actually taken to comply with the report's recommendations.

I would like to express my appreciation for the courtesy and cooperation extended to the Division of Audit and Review staff during the course of the fieldwork.

If you have any questions concerning this matter, please contact David Bryan, Audit Resolution Section, at (717) 783-7217.

Sincerely,

A handwritten signature in black ink that reads "Tina L Long". The signature is written in a cursive, flowing style.

Tina L. Long, CPA
Director

Enclosure

c: Ms. Bonnie Rose
Mr. Michael Hale
Ms. Sallee Rowe

bc: Ms. Karen Deklinski
Mr. Alexander Matolyak
Mr. David Bryan
Ms. Kenya Faulkner
Ms. Shelley Lawrence
Mr. Michael Kiely/WFO (W1002)
WFO Audit File (W1002)

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 DPW'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 (65 P.S. §§ 67.101 et seq.) The DPW RTKL Office can be contacted by email at: ra-dpwtkl@pa.gov.



October 16, 2012

The Honorable Gary Alexander
 Secretary for the Department of Public Welfare
 Health and Welfare Building, Room 333
 Harrisburg, Pennsylvania 17120

Dear Secretary Alexander:

In response to a request from the Office of Long-Term Living (OLTL), the Bureau of Financial Operations (BFO) performed an audit of Disability Options Network (DON). Our audit examined the period July 1, 2011 to March 27, 2012.

A draft of this report was reviewed by DON and their comments, which are identified as Appendix A, are attached to this report. DON elected not to have an exit conference.

Executive Summary

FINDINGS	SUMMARY
<p>Issue No. 1 – Supports Coordination Billings Were Not Supported by Case Records.</p>	<p>DON was unable to provide documentation to support 7.05% of Attendant Care Waiver, 47.71% of Independence Waiver and 59.78% of OBRA Waiver Supports Coordination units of service claims that were included in our sample. An extrapolation of these errors results in a recommended recovery of \$66,889.</p>

HIGHLIGHTS OF RECOMMENDATIONS	
<p>OLTL Should:</p> <ul style="list-style-type: none"> Recover \$66,889 from DON relating to the absence of documentation for Supports Coordination claims. 	

FINDINGS	SUMMARY
<p>Issue No. 2 – Non-Medical Transportation Billings Included Claims For Ineligible Services.</p>	<p>Our sample testing of Non-Medical Transportation Service claims identified ineligible costs claimed that represented 52.33% of tested waiver payments. An extrapolation of these errors results in a total recommended recovery of \$49,575.</p>

HIGHLIGHTS OF RECOMMENDATIONS	
<p>OLTL Should :</p> <ul style="list-style-type: none"> Recover \$49,575 relating to ineligible Non-Medical Transportation Service claims. 	

Disability Options Network
July 1, 2011 to March 27, 2012

Background

DON and their affiliate DON Services, Inc. are 501 (c) (3) non-profit corporations headquartered in New Castle, Pennsylvania. They operate Medicaid and state- funded Attendant Care programs.

DPW's Attendant Care Program allows consumers to live in their home and community rather than an institution, and to receive assistance with carrying out activities of daily living, self-care, and mobility. The Attendant Care Program is designed to ensure that the consumer achieves and maintains independence.

Attendant Care is funded using various Waiver (Attendant Care, Independence, OBRA and Commcare) and state (Act 150) monies.

PROMISe payments to DON and affiliates for the period July 1, 2011 to March 27, 2012 totaled \$3,583,531.

Objective, Scope, Methodology

We conducted an audit survey on April 16 and 17, 2012 to assess controls and audit risk of various procedure code billings. The results of the survey were used as a basis for determining the scope of our audit fieldwork.

Our audit objective was to determine if the DON has adequate documentation to support claims for the period July 1, 2011 to March 27, 2012.

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 their effectiveness.

Based on our understanding of the controls, certain material deficiencies came to our attention. Areas where we noted material deficiencies or an opportunity for improvement in management controls are addressed in the findings of this report.

We conducted this performance audit in accordance with generally accepted governmental 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.

The BFO's fieldwork was conducted intermittently between May 3, 2012 and June 5, 2012 and was performed in accordance with generally accepted government auditing standards. A closing conference was held with DON management on June 19, 2012 to discuss the results of the audit. This report, when presented in final form, will be available for public inspection.

Results of Fieldwork

Issue No. 1 – Supports Coordination Billings Were Not Supported by Case Records.

DON billed PROMISe for Supports Coordination services when there was inadequate documentation to support the claims. The Code of Federal Regulations at 42 CFR 441.18, refers to case management services and requires in section (a) (7) that providers maintain case records that document for all individuals receiving case management:

- (ii) The dates of the case management services, and;
- (iv) The nature, content, units of the case management services received and whether goals specified in the care plan have been achieved;

As part of our audit we tested random samples of Attendant Care Waiver (procedure code W1794), Independence Waiver (W1877) and OBRA Waiver (W6100) Supports Coordination claims. Units billed are one unit per month for Attendant Care, one unit per week for OBRA and one hour each week for the Independence Waivers. We provided DON's Supports Coordination staff with the sample claims and asked them to provide us with documentation of the date and nature of service for each weekly or monthly claim.

This testing found that in many cases there was no documentation to confirm that services had been provided. No documentation could be found to verify Supports Coordination claims for 7.05 percent of the Attendant Care Waiver sample, 47.71 percent of the Independence Waiver sample and 59.78 percent of the OBRA Waiver sample. Based on these percentages extrapolated over total paid claims for each of the three waivers, the projected unsupported claims for each waiver are as follows:

<u>Waiver</u>	<u>Total Paid Claims</u>	<u>Sample Error Rate</u>	<u>Unsupported Claims</u>
Attendant Care	\$ 14,438	7.05%	\$ 1,019
Independence	\$ 80,344	47.71%	\$ 38,329
OBRA	\$ 46,068	59.78%	\$ 27,541
TOTAL			\$ 66,889

Recommendation:

The BFO recommends that the OLTL recover \$66,889 from DON to reflect Supports Coordination claims for which there was no documentation that service was provided.

Issue No. 2 – Non-Medical Transportation Billings Included Claims For Ineligible Services.

Under the Home and Community Based Services Waivers (Attendant Care, OBRA, and Independence), “Non-Medical Transportation services are offered in order to enable participants to gain access to waiver services and other community activities and resources as specified in the service plan.” Eligible Non-Medical Transportation services (procedure code W6110) include the cost of drivers or other personnel to transport the consumer and/or the cost of public transportation tickets or tokens.

The Home and Community Based Services Waivers place a number of limitations on this service including:

- Non-Medical Transportation cannot be provided simultaneously with Personal Assistance Services (PAS).
- “Whenever possible, family, neighbors, friends or community agencies which can provide this service without charge should be utilized.”

Our review of documentation supporting the sampled OBRA and Independence Waiver claims identified that 52.33% of the claims were ineligible for reimbursement. These included services provided by consumers’ family members. They also included claims for services provided by the consumer’s attendant on the same day that the attendant was paid for PAS. Since DON’s travel reimbursement forms did not indicate the time of day that Non-Medical Transportation services were provided, DON could not support that the Non-Medical Transportation services did not overlap with the PAS.

An extrapolation of our sampled Non-Medical Transportation ineligible claims over the universe of total paid claims of \$94,736 for the audit period results in projected ineligible Non-Medical Transportation Service claims of \$49,575 for the audit period.

Recommendation:

The BFO recommends that the OLTL recover \$49,575 relating to ineligible Non-Medical Transportation Service claims.

Auditors’ Commentary:

In its response to Issue No. 1 of this report (see attachment) DON stated “DON Services was provided with specific dates [selected by the BFO] that were looked at as requested by the Office of Long Term Living. We believe that if the entire two week period were looked at as a unit of service, documentation is and would have been found to justify the billing for that service.” The dates the BFO provided to DON were not individual days but were instead the same multi-day billing periods as in the claims submitted by DON for reimbursement. If documentation of Supports Coordination activity could not be found during the billing period, the claims were considered unsupported.

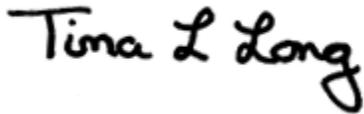
Disability Options Network
July 1, 2011 to March 27, 2012

In accordance with our established procedures, an audit response matrix will be provided to the OLTL. The OLTL is responsible for completing the matrix within 60 days and emailing the Excel file to the DPW Audit Resolution Section at:

RA-pwauditresolution@pa.gov

The response to each recommendation should indicate your office's concurrence or non-concurrence, the corrective action to be taken, the staff from your office responsible for the corrective action, the expected date that the corrective action will be completed, and any related comments.

Sincerely,

A handwritten signature in black ink that reads "Tina L Long". The signature is written in a cursive, slightly slanted style.

Tina L. Long, CPA
Director

bc: Ms. Karen Deklinski
Mr. Alexander Matolyak
Mr. David Bryan
Ms. Kenya Faulkner
Ms. Shelley Lawrence
Mr. Michael Kiely
Audit File (W1002)

**DISABILITY OPTIONS NETWORK
RESPONSE TO THE DRAFT REPORT**

APPENDIX A



DISABILITY OPTIONS NETWORK

Beaver, Butler, Lawrence & Mercer Counties

101 South Mercer Street, Suite 102

New Castle PA 16101

Phone: 724-652-5144; Fax: 724-652-5158

www.disabilityoptionsnetwork.org

September 19, 2012

Mr. Michael J. Kiely
Department of Public Welfare
Bureau of Financial Operations
Western Field Office
Room 320, 11 Stanwix Street
Pittsburgh, PA 15222

RE: Draft Audit report received September 10, 2012

Don Services Inc. does not concur with the findings of the Supports Coordination portion of the Audit. Historically, Supports Coordination was billed on a weekly or monthly basis depending on the waiver program. Our Supports Coordinators monitor on a bi-weekly basis the use of service by each consumer; reviewing the units utilized keeps consumers in compliance with the approved budget by the Office of Long term living, as required by waiver standards:

Appendix D: Participant-Centered Planning and Service Delivery

D-1: Service Plan Development (4 of 8)

The Service Coordinator is responsible at least annually for developing ISPs by performing the following roles in accordance with specific requirements and timeframes, as established by OLTL:

Completion of ISPs

Entering ISP's into HCSIS

Updating ISP's at least once every 365 days and whenever needs change

***Empowering People With Disabilities To Live As
Independently As They Choose***

- Documenting contacts with individuals, families and providers
- Recordkeeping
- Locating services
- Coordinating service coverage through internal or external sources
- Monitoring services
- Ensuring health and welfare of waiver participants
- Follow-up and tracking of corrective action
- Completing assessments
- Sharing information
- Assuring information is in completed ISP
- Participating in ISP reviews
- Implementing recommended services
- Reviewing plan implementation

Service Coordinators are responsible for monitoring the health and welfare of the participant and the quality of the participant's service plan through personal visits at a minimum of twice per year and telephone calls at least quarterly. Service Coordinator monitoring ensures that reasonable safeguards exist for the person's health and well-being in the home and community. Personal visits and telephone contacts can be done more frequently as agreed upon by the participant to assure provision of services and health and welfare of the participant. Service coordinators are responsible for documenting the following:

- The participant is receiving the amount (units) of services that are in the ISP
- The participant is receiving the frequency of services that are in ISP.
- The participant receives the ordered services (scope-specific within the definition) that are in the ISP.
- The participant is receiving the duration of services that are in the ISP.

DON Services was provided with specific dates that were looked at as requested by the Office of Long Term Living. We believe that if the entire two week period were looked at as a unit of service, documentation is and would have been found to justify the billing for that service. Below is an example of the notes that were in the system and not recognized by the Auditors due to the definition provided by OLTL:

[REDACTED]

©	[REDACTED]	MCI [REDACTED]	Other	Other
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SC COLLECTED AND REVIEWED TIME SHEETS AND UNITS UTILIZATION FOR ACCURACY. 1HR RB.

[REDACTED]

Contact Log

©	[REDACTED]	MCI [REDACTED]	Other	Other
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Time sheets collected and reviewed for accuracy; srr's completed: 1 hour LMW

[REDACTED]

MCI #: (Cty/Jndr)/Agency: DISABILITY
[REDACTED] OPTIONS NETWORK CSPPPD

SC Entity: DISABILITY
OPTIONS NETWORK
CSPPPD

MA Eligible: Yes BSU #:

▣ SERVICE NOTE/BILLABLE CLAIM DETAILS - entered on [REDACTED] 11:51:50 AM

Date of Service/Contact: [REDACTED] Location of SC Entity
Service: Office

Service Note: COLLECTED AND REVIEWED TIMESHEETS FOR ACCURACY.
SRR COMPLETED FOR BILLING PURPOSES. [REDACTED]
[REDACTED] SC 1HR

Supervisory Edit:

12/5/2011 6:00:16 PM

Date Last Edited:

[REDACTED]

SERVICE NOTE/BILLABLE CLAIM DETAILS - entered on [REDACTED] 9:53:56 PM

Date of Service/Contact: [REDACTED] Location of SC Entity
Service: Office

Service Note:

CALL FRC

CONSUME
RE NEW
ISSUE W/
PCA-JB. o
SLL

Supervisory Edit:

Date Last Edited:

12/19/2011
6:00:12 PM

▣ SERVICE NOTE/BILLABLE CLAIM DETAILS - entered on [REDACTED]
9:52:50 PM

Date of Service/Contact: [REDACTED] Location SC
[REDACTED] of Entity
Service: Office

Service Note: CALL WITH CONSUMER RE POTENTIAL TWO
ATTENDANTS SHE WOULD LIKE TO HIRE. SC TO
NOTIFY ATTENDANTS AND CONSUMER WILL
SCHEDULE THEM. 0.50 HR

Supervisory Edit:

Date Last Edited: 12/19/2011 6:00:12 PM

▣ SERVICE NOTE/BILLABLE CLAIM DETAILS - entered on [REDACTED]
9:49:07 PM

Date of Service/Contact: [REDACTED] Location SC
[REDACTED] of Entity
Service: Office

Service Note: CALL WITH CONSUMER RE POTENTIAL PCA'S 0.50
HR SLL

Supervisory Edit:

Date Last Edited: 12/19/2011 6:00:12 PM

DON will no longer be a provider of Service Coordination effective July 1, 2012 under the conflict free services initiative and DON's Service Coordination transition plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Lloyd", with a long horizontal flourish extending to the right.

Chris Lloyd
Chief Executive Officer