



DEC 20 2011

Mr. Frank Tieri
Executive Director
Supportive Behavioral Resources, Inc.
7901 Bustleton Avenue, Suite 301
Philadelphia, Pennsylvania 19152

Dear Mr. Tieri:

I am enclosing for your review the final performance audit report of Supportive Behavioral Resources, Inc. as prepared by the Division of Audit and Review (DAR). Your response dated November 30, 2011 has been incorporated into the final report as an attachment. The report covers the period January 1, 2010 to June 30, 2011.

This report contains the findings and recommendations that were discussed with you and your staff at the exit conference on December 7, 2011.

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

The report will be forwarded to the Department's Office of Developmental Programs (ODP) to begin the department's resolution process concerning the report's consents. The staff from ODP may be in contact with you to follow-up on the action taken in consideration of the report's findings.

If you have any questions concerning this report, please contact Alexander Matolyak, Audit resolution Section at 717-783-7786.

Sincerely,

Tina L Long

Tina L. Long, CPA
Director

Enclosure

c: Mr. Gary Alexander
Mr. Timothy M. Costa
Mr. Kevin M. Friel
Ms. Vicki Stillman-Toomey
Mr. Joseph Church



DEC 20 2011

Mr. Timothy M. Costa
Executive Deputy Secretary
Department of Public Welfare
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) initiated an audit of Supportive Behavioral Resources, Inc. (SBR). The audit was designed to investigate, review and make recommendations regarding the reimbursements from PROMISE™ for client care and personal habilitation services. Our audit examined the period from January 1, 2010 to June 30, 2011 (Audit Period).

This report is currently in final form and therefore does contain SBR's views on the reported findings, conclusions and recommendations. Management's response to the draft report is included as an attachment hereto. The report's contents and response were discussed at an exit conference held December 7, 2011.

Supportive Behavioral Resources, Inc.'s Executive Summary

SBR was incorporated as a for-profit Pennsylvania corporation. It is a health care provider servicing clients who are approved by the Commonwealth of Pennsylvania, Department of Public Welfare (DPW) and ODP. SBR works with developmental disability organizations in Philadelphia, Montgomery, Delaware, and Bucks Counties to provide in-home services to individuals and families with special needs. SBR assists consumers to acquire and maintain the highest possible level of independent living by providing habilitation, counseling, nursing, transportation and respite services.

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

FINDINGS	SUMMARY
<p><i>Finding No. 1 – A Sample Of SBR's PROMISE™ Reimbursements And Their Underlying Documentation Found That 0.48% Of The Items Tested Were Unsubstantiated.</i></p>	<p>A random sample was tested for adequacy of documentation. The results were that 0.48% of the tested reimbursements were unsubstantiated. Extrapolating this variance over the entire population of reimbursed claims results in a disallowance of \$47,823.</p>
HIGHLIGHTS OF RECOMMENDATIONS	
<p>ODP should :</p> <ul style="list-style-type: none"> • Recover \$47,823 from SBR due to unsubstantiated services. <p>SBR should:</p> <ul style="list-style-type: none"> • Not claim reimbursement for unsubstantiated services and retain adequate documentation for each claim submitted to PROMISE™. 	

FINDINGS	SUMMARY
<p><i>Finding No. 2 – Some Of SBR’s Time Sheets Did Not Contain Dated Signatures Of Customers Verifying That The Recorded Services Were Rendered.</i></p>	<p>Among the items sampled, several PROMISE™ reimbursements were not supported by timesheets that were signed and dated by the customer-recipients. All timesheets should be signed and dated by both the employee care giver and the customer recipient.</p>
HIGHLIGHTS OF RECOMMENDATIONS	
<p>ODP should:</p> <ul style="list-style-type: none"> Require that all providers, by way of their care giver-employees, obtain dated signatures of their customers on all timesheets as verification that the services were rendered. <p>SBR should:</p> <ul style="list-style-type: none"> Adopt guidelines that require every time sheet to be co-signed by the customer-recipient of the services. 	

Background

SBR was incorporated as a for-profit Pennsylvania business corporation. Its corporate office is located at 7901 Bustleton Avenue, Suite 301, Philadelphia, PA 19152.

SBR is a health care provider servicing clients who are approved by the Commonwealth of Pennsylvania, Department of Public Welfare (DPW), ODP. SBR works with Philadelphia, Bucks, Delaware, and Montgomery County developmental disability organizations to provide in-home habilitation services to consumers and families with special needs. SBR assists consumers to acquire and maintain the highest possible level of independent living by providing habilitation, counseling, transportation and respite services. These services are performed in consumers’ homes and communities by SBR’s employees and are in conjunction with the consumers’ supports coordinators.

Objective/Scope/Methodology

The audit objective, developed in concurrence with ODP was:

- To determine if SBR has adequate documentation to substantiate its billings to PROMISE™ for habilitation and other related waiver services.

The criteria used to ascertain the adequacy of substantiation were ODP Bulletin #00-07-01 dated April 26, 2007 and pertinent Federal Waiver requirements.

In pursuing the objective, the BFO interviewed ODP personnel and SBR’s management. We also reviewed books, records, third party invoices, bills, receipts and other pertinent data necessary to pursue the audit objective, such as PROMISE™ reimbursement data, HCSIS electronic records and employee time sheets.

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 these controls. Based on our understanding of the controls, no material deficiencies came to our attention. Areas where we noted 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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

The BFO's fieldwork was conducted from September 16, 2011 to September 23, 2011 and was performed in accordance with generally accepted government auditing standards. This report will be available for public inspection.

Results of Fieldwork

Finding No. 1 – A Sample Of SBR's PROMISe™ Reimbursements And Their Underlying Documentation Found That 0.48% Of The Items Tested Were Unsubstantiated.

A statistically valid random sample of 59 claims was selected from the total of 46,445 claims reimbursed by PROMISe during the Audit Period. The underlying documentation for the sampled claims was examined including supporting time sheets, progress notes, if any, and the nature and extent of the services provided. The number of units of service authorized by an Individual Service Plan (ISP) was compared to the units billed. BFO verified that the units billed did not exceed the number authorized and budgeted in the respective ISPs.

One exception was identified in the sample. In this case the worker found that the customer was not home when they arrived. Although no services were delivered, three units were billed to PROMISe™ for a total of \$53. After becoming aware of this erroneous billing, SBR voided the bill on or about September 21, 2011. It is BFO's position that the subsequent remediation did not correct the error rate in the originally tested sample.

The \$53 exception was 0.48% of the total tested of \$11,035. This percentage was extrapolated over the universe of reimbursed PROMISe™ claims of \$9,963,148 in order to determine the total disallowance of \$47,823.

Recommendations

The BFO recommends that ODP recover \$47,823 due to a lack of adequate substantiation.

The BFO also recommends that SBR should not claim reimbursement for unsubstantiated claims or undelivered services.

Finding No. 2 – Some Of SBR’s Time Sheets Did Not Contain Dated Signatures Of Customers Verifying That The Recorded Services Were Rendered.

A review of the time sheets for the sampled claims identified some that were not complete. Our review noted services dates, hours worked, the nature and extent of services rendered, sign offs by the customer and employee care giver that are dated contemporaneously with the date(s) of service. In several instances, the customer receiving the service did not sign off on the time sheet.

This is a weakness in internal control in that service delivery is not directly verified by the customer who received the service(s). Although there was no rule specifically requiring such a customer sign off, time sheets without customer acknowledgment are an internal control deficiency. However, further examination of the specific progress notes for these behavioral consultations indicated that the services were appropriately delivered.

Recommendation

The BFO recommends that SBR obtain signed verifications from the customers on time sheets to verify the hours worked and the units billable to PROMISE™

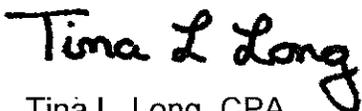
The BFO also recommends that ODP require that time sheets be signed and dated contemporaneously by both the employee care giver and the customer.

Exit Conference

An exit conference was held on December 7, 2011 at SBR’s corporate offices to discuss the Draft report, its findings and recommendations. SBR’s executive management team discussed the remedial steps that were recently taken to assure that adequate documentation of all services rendered would be on file before the employee care-givers’ time sheets are approved for wage and payroll purposes. BFO agreed that the remedial steps as described were appropriate.

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 from ODP responsible for the corrective action, the expected date that the corrective action will be completed, and any related comments.

Sincerely,

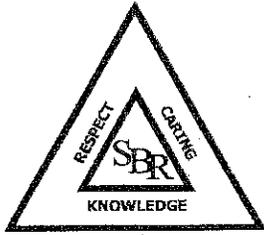


Tina L. Long, CPA
Director

c: Mr. Gary Alexander Ms. Vicki Stillman-Toomey
 Mr. Frank Tieri Mr. Joseph Church
 Mr. Kevin M. Friel

**SUPPORTIVE BEHAVIORAL RESOURCES, INC.
RESPONSE TO THE DRAFT REPORT**

ATTACHMENT



SUPPORTIVE
BEHAVIORAL RESOURCES

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Mr. Daniel Higgins, Audit Manager
Division of Audit and Review
Bureau of Financial Operations
Department of Public Welfare
801 Market Street, Suite 5040
Philadelphia, PA 19107-3126

November 30, 2011

RE: Response to Performance Audit Report of Supportive Behavioral Resources, Inc.

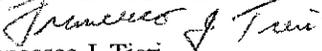
SBR appreciates the opportunity to respond to the Performance Audit Report completed by DPW for the period of January 1, 2010 to June 30, 2011. We found the process to be professional, cooperative, and useful for SBR as we continue to improve the quality of the support services we provide and the level of documentation necessary to support these services. The random sample tested for adequacy of documentation revealed that 0.48% of the tested reimbursements were noted as "unsubstantiated". To take a more positive point, this implies that **99.52%** of all of the documentation tested was "substantiated".

Immediately after the review, SBR made changes, and conducted staff training, with respect to the recommendations listed in the Audit Report. Specifically, Finding #2 referred to the Progress Notes completed for Behavior Support. SBR immediately adjusted these notes to include a verification signature, as well as, conducting training for all Behavior Specialists in this process. For more internal control, SBR now employs an Administrative Assistant to add to our current review of the notes for accuracy and verification of services prior to submission for payment. Although SBR has a history of being diligent in this respect, there was one (1) exception (statistical sample of \$53) which was reversed immediately and returned to the State.

With regard to Finding #1 of the report and the recommendation for recovery of funds, we believe that the previously returned funds are the amount to be recovered. SBR believes that the requested amount of \$47,823, based on the formula presented, is in excess of the purpose and intent of the audit and not representative of the overwhelming (99.52%) accuracy of the documentation reviewed.

We would like to schedule an exit conference to discuss this and would request that the Southeast Regional Director of ODP be a part of the discussion.

We look forward to the exit conference and continued dialog on this issue.


Francesco J. Tieri
CEO/Executive Director