



CDSS

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June 1, 2016

ALL COUNTY INFORMATION NOTICE NO. I-31-16

TO: ALL COUNTY WELFARE DIRECTORS
ALL IHSS PROGRAM MANAGERS

SUBJECT: IN-HOME SUPPORTIVE SERVICES (IHSS) PROGRAM RESULTS OF
ERROR RATE STUDIES CONDUCTED IN FISCAL YEAR (FY) 2014-15

REFERENCE: MANUAL OF POLICIES AND PROCEDURES §30-702.2;
ALL COUNTY LETTER NO. 13-110, DATED DECEMBER 31, 2013;
WELFARE AND INSTITUTIONS CODE §§12305.7,12305.71(c)(1)

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

This All County Information Notice provides counties with the results of the following Error Rate Studies (ERS) conducted by the California Department of Social Services' (CDSS) In-Home Supportive Services (IHSS) Program Integrity Unit (PIU) in Fiscal Year (FY) 2014-15: 1) Out of State Warrants; 2) Authorized vs. Paid IHSS Hours, and; 3) Reported Death Match Verification.

BACKGROUND

As outlined in Welfare and Institutions Code sections 12305.7 and 12305.71(c)(1), CDSS' PIU conducts annual ERS to estimate the extent of payment and service authorization errors and fraud in the provision of IHSS. The purpose of an ERS is to identify any duplicate Medi-Cal payments; examine any errors in the application of program regulations and the authorization of services; prevent and detect misuse and/or abuse of program funds; and to maximize recovery of overpayments. The ERS findings are utilized to prioritize and direct State and county efforts towards the health and safety of all IHSS program recipients.

OUT-OF-STATE WARRANTS

CDSS initiated an Out-of-State Warrants ERS in November of 2014, based on Case Management, Information and Payrolling System (CMIPS) data for the period of July 2014 to February 2015, with the goal of validating IHSS warrants issued to providers with out-of-state addresses. CDSS distributed data to 42 counties to validate 683 warrants, totaling \$259,770, and to report any corrective actions taken.

The findings indicated that 621 warrants (approximately 91 percent) were valid payments totaling \$234,963 (approximately 90 percent of the total). The main reasons reported for the out-of-state addresses included: 1) recipients/providers living in border counties with P.O. Boxes in neighboring states; and 2) recipients/providers who moved out of state and submitted final timesheets retrospectively, which resulted in the final warrant being issued to the new address.

Of the remaining warrants, approximately 7 percent (\$16,968) resulted in corrective actions (divided equally between fraud referrals and overpayment recoveries) and 3 percent (\$7,839) were in the process of being monitored/investigated at the conclusion of this study.

AUTHORIZED VS. PAID IHSS HOURS

As part of CDSS' ongoing Quality Assurance activities, November 2013 timesheet data was reviewed, revealing a discrepancy between the IHSS hours authorized and the IHSS hours paid. Out of 479,989 authorized cases, over 89 percent had eligible providers that were paid; however, 30,617 cases (6 percent) had no eligible providers; and 25,274 cases (5 percent) had an eligible provider(s) who failed to submit timesheets. In order to ensure services were being rendered and IHSS recipient needs were being met, CDSS analyzed that same data again in April 2014, September 2014, and January 2015 and discovered that 2,761 of the 30,617 cases (9 percent) still had no eligible providers, and 841 of the 25,274 cases (3 percent) continued to have recipients with one or more eligible providers with no timesheet activity.

In March 2015, CDSS provided counties with a list of cases identified in their county to investigate, determine the reasons for the discrepancies, and report their findings to CDSS by June 30, 2015. The reasons reported included the following:

RECIPIENTS WITH NO ELIGIBLE PROVIDER:

Out of the 2,761 cases that still had no eligible provider after 15 months, 193 (7 percent) were still being looked into by counties. CDSS has requested that counties follow-up and provide any necessary assistance to ensure all recipients obtain a provider. The remaining cases in this study were resolved as follows:

- 911 (33 percent) were discovered to be in County Contractor Mode
- 801 (29 percent) were terminated
- 552 (20 percent) added an eligible provider
- 276 (10 percent) were in the process of hiring a new provider
- 28 (1 percent) were either in Homemaker Mode, transferring to another county, or on Leave status

RECIPIENTS WITH ONE OR MORE PROVIDERS, NO TIMESHEET ACTIVITY:

Out of the 841 cases that still had no timesheet activity, 219 (26 percent) were still being looked into by counties. CDSS has requested that counties follow-up and offer assistance regarding timesheet submission. The remaining cases in this study were resolved as follows:

- 320 (38 percent) had providers that began submitting timesheets
- 244 (29 percent) were terminated
- 42 (5 percent) were in the process of hiring a new provider
- 16 (2 percent) were either in Homemaker Mode, transferring to another county, or on Leave status

As a result of timesheet issues identified as a part of this study, counties reported that they were educating providers who fail to submit timesheets timely and/or assisting providers with the submission of past due timesheets.

REPORTED DEATH MATCH VERIFICATION

CDSS revised the Death Match verification process in FY 2014/15, as a result of the implementation of CMIPS II. CMIPS II allowed CDSS to convert from a spreadsheet updating system to a system-based updating process; this new process was detailed in All-County Letter No. 14-73.

Using the old spreadsheet updating process, only 1,000 (8 percent) of the nearly 13,000 pending Death Match warrants identified at the start of FY 2014/15, were resolved by September 2014. After the new system-based updating process was implemented in October 2014, over 3,000 of the nearly 12,000 (25 percent) outstanding Death Match warrants were resolved in only 30 days.

By April 2015, 97 percent of the outstanding Death Match warrants were resolved, with only 454 pending warrants remaining. The majority of the resolved warrants were categorized as either “Not Deceased” or “Deceased – No Overpayment.” Sixteen of these warrants were confirmed as overpayments, for a total value of \$400.

CDSS is continuing the Death Match ERS in FY 2015/16 and distributed “Pending” summaries to counties in October 2015 and April 2016, for reconciliation.

If you have questions regarding this letter, please contact the Adult Programs Division, Policy and Quality Assurance Branch, Program Integrity Unit at (916) 651-5337 or via email at: ihss-pi@dss.ca.gov.

Sincerely,

Original Document Signed By:

EILEEN CARROLL
Deputy Director
Adult Programs Division

c: CWDA