

PERFORMANCE AUDIT REPORT

Case Management Unit

Costs reimbursed by the
Pennsylvania Department of Human
Services

February 2020



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General

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EUGENE A. DePASQUALE
AUDITOR GENERAL

February 10, 2020

Mr. Gregory McCutcheon, Executive Director
Case Management Unit
1100 South Cameron Street
Harrisburg, PA 17104

Dear Mr. McCutcheon:

This report contains the results of the Department of the Auditor General's performance audit of Case Management Unit (CMU) with regard to costs that were reimbursed by the Pennsylvania Department of Human Services (DHS). This audit was conducted under the authority of Sections 402 and 403 of The Fiscal Code (Code), 72 P.S. §§ 402 and 403, and in accordance with the 2018-2019 Budget Implementation provision of Article XVII-H, Subarticle B, Section 1715-H of the Code, 72 P.S. § 1715-H. The audit was not, nor was it required to be, conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

The performance audit covered the period July 1, 2017 through June 30, 2018, with updates through the report date. Our audit objective was to determine whether medical services for which the costs were reimbursed by DHS were rendered. We planned and performed audit procedures to obtain sufficient, appropriate evidence to the extent necessary to satisfy the audit objective. We believe that the evidence obtained provides a reasonable basis to support our results, finding, and conclusions.

We selected and reviewed 40 claims that were reimbursed by DHS and found that documentation maintained by CMU supported that services were rendered in accordance with applicable laws and policies, however the report presents one finding and offers two recommendations for CMU to strengthen its management controls that ensure the accuracy of service documents. Specifically, we identified a lack of segregation of duties in that case manager supervisors can approve service documents that they create. When case manager supervisors are permitted to approve service documents that they themselves create, risk increases that an inaccurate claim may not be detected and corrected before it is submitted to DHS for reimbursement.

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In closing, I want to thank CMU for its cooperation and assistance during this audit. Although CMU is not in agreement with our finding, it agreed to consider our recommendations, as indicated in its response, which is included in this audit report. We may follow up at an appropriate time to determine to what extent all recommendations have been implemented.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eugene A. DePasquale
Auditor General

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Background

Case Management Unit (CMU) is a private, non-profit organization wholly owned by Dauphin County. In 1991, CMU was originally formed as Dauphin County's Mental Health/Mental Retardation Case Management Unit, and renamed as CMU in 2004.¹ CMU currently maintains two offices in Harrisburg and Elizabethville, serving approximately 6,000 individuals in the county's Mental Health/Intellectual Disability (MH/ID) program, and a third office in Lebanon City which operates ID and Autism programs for Lebanon County residents.² The organization is governed by a 10-member board of directors.³

CMU's mission is to provide Dauphin County residents who have MH/ID issues with MH case management services that provide opportunities for individuals and families to gain the highest level of independence and personal growth possible within the community.⁴ The nature of the services needed varies by client and may include medical, social, financial, vocational, educational and other needed services. Individuals and families may contact CMU directly or be referred to CMU through other entities including Dauphin County Crisis Intervention, the court system, schools, and other agencies.⁵

Programs

CMU provides an array of services through three major programs; MH, ID, and an Early Intervention program, which addresses the needs of children up to age three.⁶ Before individuals receive any services, they must complete CMU's intake process in order to determine which services would best meet an individual's needs. CMU's Intake staff obtain the individual's personal information, evaluate any MH issues, assess his/her strengths and needs, and determine MH/ID program eligibility.⁷

While the intake process is provided free of charge, another employee conducts a liability assessment to determine the individual's or family's ability to pay for services.⁸ This includes using the Pennsylvania Department of Human Services' (DHS) PROMISE system to determine whether the individual is enrolled in Medical Assistance (MA). If not enrolled and potentially

¹<https://www.dauphincounty.org/government/departments/mental_health_and_intellectual_disabilities/accessing_mh-id-ei_services.php> (accessed December 6, 2019).

²<<https://www.cmu.cc/history.htm>> (accessed December 6, 2019). In July 2016, Lebanon County Commissioners voted to privatize components of Lebanon County ID services provided by the county. CMU subsequently accepted a proposal from Lebanon County to offer these ID support coordination services to Lebanon County residents.

³<<https://www.cmu.cc/leadership.htm>> (accessed December 6, 2019).

⁴<<https://www.cmu.cc/mh.htm>> (accessed December 6, 2019).

⁵<<https://www.cmu.cc/history.htm>> (accessed December 6, 2019).

⁶ Ibid.

⁷<<https://www.cmu.cc/id-intake.htm>> (accessed December 6, 2019).

⁸<<https://www.cmu.cc/mh.htm#IntakeAssessment>> (accessed January 2, 2020).

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eligible, the employee will assist the individual in applying for MA. CMU also helps individuals obtain Social Security benefits, emergency housing, clothing, and food, if needed. An intake supervisor reviews the completed intake documents and assigns the individual to a case manager, supports/service coordinator, or other CMU program staff within the major program that offers the appropriate services to meet the individual's needs and desires.

CMU was selected for audit from a list of MA providers that received reimbursement from DHS for MH Services provided to MA-enrolled individuals during the fiscal year ended June 30, 2018.⁹ The total reimbursement that CMU received for MH Services consisted entirely of claims for Blended Case Management (BCM) services, and therefore, a detailed description of those services is presented below.¹⁰

MH Services Program

CMU's MH Services Program includes: Administrative Case Management, BCM, Forensic Blended Case Management, Homeless Outreach Services, Peer Support Services, the Jeremy Project, and the SOAR Program.¹¹ CMU case managers create a detailed service plan to address the individual's needs and goals based on a thorough assessment process. The plan supports the level of required MH Case Management services. For example, individuals who only require minimal support to obtain needed services, such as a service contact every six months, would be designated for Administrative Case Management.¹² Others needing support more often receive BCM services, which are available 24 hours a day, 7 days a week (24/7).

Blended Case Management

CMU provides BCM services to assist targeted adults with serious and persistent mental illness and targeted children with a serious mental illness or emotional disorder along with their families.¹³ BCM services incorporate both Intensive Case Management (ICM) services and Resource Coordination (RC) services, allowing the BCM case manager to offer a wider range of services, which fosters continuity in the delivery of services.

ICM services are designed to ensure individuals have access to community agencies, services, and people that provide the support, training, and assistance needed for a stable, safe, and healthy community life. Specific ICM services include: (1) linking individuals to services; (2) monitoring service delivery; (3) accessing services; (4) assessing needs for services planning; (5)

⁹ See the *Audit Procedures and Results* section of this audit report.

¹⁰ Information on all other CMU services may be obtained from CMU's website (<https://www.cmu.cc/index.htm>).

¹¹ <<https://www.cmu.cc/mh.htm>> (accessed December 6, 2019).

¹² <<https://www.cmu.cc/mh.htm#Administrative>> (accessed January 7, 2020).

¹³ <https://www.dhs.pa.gov/docs/Publications/Documents/FORMS%20AND%20PUBS%20OMHSAS/d_006970.pdf> (accessed December 18, 2019).

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resolving problems; and (6) building an informal support network and use of community services.¹⁴ ICM services are available 24/7.

RC services are targeted to individuals who do not need the intensity and frequency of service contacts provided through ICM services, but do need assistance accessing, coordinating, and monitoring resources and services. RC services are provided to assess the individuals' strengths and meet their needs in order to achieve stability in the community. RC activities are the same as ICM activities, however, the managers' caseload limits are higher and 24/7 service availability is not required.¹⁵

The individual's needs and other DHS-established criteria are used to determine BCM services' eligibility.¹⁶ BCM services are designed to allow the case manager to manage services for individuals having different levels of service needs and retain them as the needed level of service intensity changes.¹⁷ BCM case managers may only serve a limited number of individuals and therefore, some individuals may have to wait to receive services.¹⁸

Funding

CMU receives a portion of its MH Services program funding through both the federal U.S. Department of Health and Human Services and DHS' Office of Mental Health and Substance Abuse Services. Providers of BCM services are required to enroll in Pennsylvania's MA Program as a BCM provider.¹⁹ CMU submits claims to DHS on a fee-for-service basis through DHS' PROMISE system in accordance with federal and state regulations. For the fiscal year ended June 30, 2018, CMU received approximately \$19,500 for BCM services provided to MA-enrolled individuals.²⁰

Additionally, CMU receives MH funding through HealthChoices, Pennsylvania's program overseeing the state's Managed Care Organizations for MA recipients.²¹ CMU receives additional funding from other MA programs, county contracts, and fees.²² Our audit focused on MH Services program claims reimbursed by DHS on a fee-for-service basis, and therefore, the other funding that CMU receives through HealthChoices, other MA programs, and county contracts was not covered as part of this audit.

¹⁴ *Pennsylvania PROMISE™ Provider Handbook 837 Professional/CMS-1500 Claim Form*, October 2017 Version 2.28, page 63.

¹⁵ *Ibid*, pages 63-64.

¹⁶ <<https://www.cmu.cc/mh.htm>> (accessed December 6, 2019).

¹⁷ DHS Office of Mental Health and Substance Abuse Services Bulletin OMHSAS-10-03, issued June 14, 2010.

¹⁸ <<https://www.cmu.cc/mh.htm#Blended>> (accessed December 6, 2019).

¹⁹ *Ibid*.

²⁰ See the *Audit Procedures and Results* section of this audit report.

²¹ <<http://www.healthchoices.pa.gov/info/about/>> (accessed January 2, 2020).

²² CMU Financial Statements, Years Ended June 30, 2018 and 2017, pages 17-18.

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Audit Procedures and Results – Determine whether medical services for which the costs were reimbursed by the Department of Human Services were rendered.

The Case Management Unit (CMU) is a registered Medical Assistance (MA) services provider with the Pennsylvania Department of Human Services (DHS). In order to perform our testing, we obtained a file from DHS listing the individual reimbursement claims approved for CMU during the fiscal year ended June 30, 2018. The table below shows that CMU received nearly \$3.3 million in MA reimbursements for the fiscal year ended June 30, 2018.

Case Management Unit MA Reimbursements by Account Code (For the Fiscal Year Ended June 30, 2018)		
Account Code	Amount	Percent of Total
HCBS-ID Waiver programs ^{a/}	\$2,286,168	70.0%
MR Services program ^{b/}	\$961,800	29.4%
MH Services program ^{c/}	\$19,473	0.6%
Total	\$3,267,441	100.0%

^{a/} Home and Community-Based (HCBS) Waiver programs for individuals with Intellectual Disabilities (ID) provide an array of services to MA-enrolled individuals with ID to live in their own homes and communities.
^{b/} Mental Retardation (MR) Services program involves services provided for individuals who are MA-eligible, but are not eligible for HCBS-ID Waiver services.
^{c/} Mental Health (MH) Services program involves case management services designed to assist individuals, age three and older with serious mental health issues, obtain needed services and supports to maintain independence and function in the community.
Source: Produced by Department of the Auditor General staff from information provided by the Department of Human Services.

In order to achieve the audit objective, we developed procedures based on our review of applicable laws, DHS policies and regulations, as well as CMU policies, inquiries of management, and evaluation of management controls. We limited our audit population to all reimbursements received from DHS for MH services, encompassing 1,063 individual CMU reimbursement claims totaling nearly \$19,500. ²³ We randomly selected and tested 40 individual CMU claims that DHS approved for reimbursements totaling \$819.

Based on the results of our audit procedures, we determined that each of the 40 claims tested was supported by the required service documentation indicating that the service was rendered. Additionally, we found the number of service units claimed were accurately calculated based on the service duration time recorded in the service documentation, with no exceptions noted. The service documentation described MH services eligible for MA reimbursement associated with

²³ To satisfy our audit requirements pursuant to The Fiscal Code, 72 P.S. § 1715-H, we selected CMU and other MA providers from the DHS listing of active Medical Assistance providers. For CMU, we specifically focused on the MH Services program with reimbursements totaling \$19,473 and not the HCBS-ID Waiver or MR Services programs.

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the individual's needs and was signed by the case manager who provided the services, along with the individual receiving the services, if applicable.²⁴ We further validated through corroborative inquiry that each of the 40 claims tested were approved by each respective case manager's supervisor, with one exception in which the supervisor performed the service himself, prepared the service document, and approved the service document for submission to DHS.²⁵ We address this exception in a finding in the following section of this audit report.

²⁴ When a service is not performed by the case manager in person but instead is provided via a telephone call, the individual receiving the service does not sign the service document.

²⁵ According to CMU management, case manager supervisors must electronically review and approve all service documents, before the system will allow the service to be processed and submitted for reimbursement. Since we did not test CMU's computer system controls, we could not rely on these electronic supervisor approvals. We therefore conducted corroborative inquiry to validate the supervisor's approval by obtaining confirmations directly from the supervisors who approved the service documents for the 40 claims we tested.

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Finding – Case Management Unit should strengthen its management controls over the review of daily service notes.

As part of our performance audit, we evaluated the design and effectiveness of management controls related to our audit objective. Although we did not identify any improper reimbursements during our review of selected Mental Health (MH) Services claims, we identified a weakness that could allow Case Management Unit (CMU) to submit an inaccurate claim for Medical Assistance (MA) reimbursement to the Pennsylvania Department of Human Services (DHS). The identified weakness involved CMU's system (system) utilized to document MH services provided and create claims that are submitted to DHS. System parameters permit case manager supervisors (supervisors) to both create and approve service notes that are required to document the provision of services for which CMU claims for reimbursement from DHS.

The standard process for the creation and approval of service notes is that CMU case managers interact with/provide services to individuals and input service notes into the system documenting the duration and describing the services provided. Supervisors then electronically approve the service notes in the system. In some instances, supervisors rather than case managers may need to provide services for an individual, and subsequently create the service notes in the system. According to CMU management, this should only occur in emergency situations when an individual needs immediate services and the case manager is not available.

We tested 40 claims and found one instance in which a supervisor provided services for an individual during a phone call, created the service note in the system, and then approved the same service note. CMU management acknowledged that the system allows supervisors to approve service notes that they themselves create. CMU management also acknowledged that no other management controls are in place to prevent supervisors from approving service notes that they created in the system. Management stated that its supervisors have been with CMU for years and can be relied upon to accurately document any services they may need to provide, however, having supervisors who are considered trustworthy does not in any manner negate the need for having adequate review and approval controls in place.

In order to determine the extent to which this control weakness impacted our audit population, CMU provided an excel file of claims for MH services that DHS approved for reimbursement during the audit period, July 1, 2017 through June 30, 2018, totaling \$19,473. CMU was able to include the case managers' name who created the service note associated with 669 claims, totaling \$11,649, approved after November 1, 2017, because those claims were processed through its new system.²⁶ Using CMU's organizational chart, we identified every claim created

²⁶ In November 2017, CMU replaced its computer system used to record all the information related to its service activities. Management stated that a list of claims with the associated case manager's name could not be currently produced by the decommissioned system. To obtain this information, each claim's service notes would need to be reviewed to identify the case manager who created the notes. Due to the fact that we only identified three claims approved between November 1, 2017 and June 30, 2018, totaling \$58, in which a supervisor both created and

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by a supervisor listed on the chart. We found that 3 of the 669 claims were created by supervisors. Because the data in the excel file was of undetermined reliability, we presented the list to management for its concurrence. CMU management agreed that 3 claims, totaling \$58 in reimbursements, were based on service notes that were both created and approved by the same supervisor.

While the small number of claims and dollars involved appear to support management's assertion that this situation only occurs in limited instances, a well-designed system of internal controls requires that certain duties be segregated or, in other words, performed by different employees. Duties that should be segregated include the creation of documentation that serves as the support for transactions and the approval of such documentation. CMU management is responsible for the design and effective operation of internal control procedures to ensure compliance with applicable laws and regulations, which includes accurately recording the duration of the provided service for MA-enrolled individuals and completing service notes to document that each provided service was authorized.²⁷

Without the approval of service notes by someone other than the person who created the service note, a higher risk exists that the service notes are not accurate and that CMU management will submit inaccurate claims to DHS. Supervisory review should be designed to ensure the service notes adequately describe provided services that are authorized for the individual, link the services to the individual's desired goals/outcomes, and accurately document the duration of the services. These components are required to support all claims for MA reimbursement submitted to DHS.²⁸

Recommendations

We recommend that CMU:

1. Strengthen its controls over the accuracy of service notes by requiring that service note approvals be completed by a management employee different from the person who created the service note. This could be accomplished via an automated control in the computer system that prevents the person who creates a service note from approving the service note or via a manual procedure, such as requiring the MH Services Director or Deputy MH Services Director to approve all service notes created by a supervisor.
2. Update its policies and procedures to incorporate the recommendation noted above.

approved the service note, we determined that reviewing all service notes for the remaining 394 claims, or approximately 37 percent of the population, was not necessary and would not substantially change the control weakness, conclusions, and recommendations presented in the finding.

²⁷ 55 Pa. Code § 4300.152.

²⁸ 55 Pa. Code § 1101.51.

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Case Management Unit's Response and Auditor's Conclusions

We provided our draft audit procedures and results, and finding and related recommendations to Case Management Unit (CMU) for its review. On the pages that follow, we included CMU's response in its entirety. Following CMU's response is our auditor's conclusions.

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Audit Response from Case Management Unit

CMU Written Response to Auditor General Audit Results

CMU is highly regarded in the provider community and takes great pride in the quality services we provide to our consumers. The Auditor General announced that CMU was included in the initial round of random audits of human service vendors to ensure Medicaid patients receive the services for which the State pays and "Taxpayers have a right to know that the good money they invest in helping our most vulnerable neighbors is being used effectively and efficiently." CMU looked forward to showcasing the commitment to our consumers and the regulations governing our services, and we did not disappoint. One hundred percent (100%) of the claims tested were found to be supported by the required documentation, the service duration was accurately reported, and the "service documentation described MH services eligible for MA reimbursement".

Central to CMU's commitment to quality is that we consistently go above and beyond regulations. As a part of our internal control structure we require that all case notes are approved by a supervisor to ensure the appropriateness, accuracy, and quality of the documentation of the service provided. CMU acknowledges that no distinction is made in regard to supervisors approving their own case notes when the rare instance occurs. CMU protocol obliges that a person familiar with service quality and relevant requirements has reviewed the service. There are no regulatory requirements that compel the approval of case notes. Only CMU's commitment to quality dictates supervisory approval. Because there is no regulatory requirement to approve case notes, CMU believes that we are operating within our defined internal control structure. Therefore, we disagree with the finding.

Despite our disagreement with the finding, we consider all feedback regarding our protocols and procedures in our continual pursuit of quality. Therefore, we will take the recommendation under consideration.

Respectfully,

Greg McCutcheon
Executive Director
CMU

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Auditor's Conclusions to Case Management Unit's Response

Case Management Unit (CMU) management disagrees with our finding, but indicates it will consider our recommendations in the pursuit of quality. Management questions the merit of the finding because there are no regulatory requirements for supervisory review of service notes. While we concur that there may be ~~are~~ no explicit regulations requiring supervisor review of service notes, we re-emphasize that the Pennsylvania Department of Human Services (DHS) does require submitted claims to be accurate and supported by service documentation pursuant to its regulations under 55 Pa. Code §§ 1101.51 and 4300.152. Management is responsible to adequately design and effectively operate internal control procedures that ensure compliance with these DHS requirements.

A well-designed system of internal controls requires that certain duties, including the creation of documentation that serves as the support for transactions and the approval of such documentation, be segregated or, in other words, performed by different employees. When case manager supervisors are permitted to approve service documents that they themselves create, the risk increases that an inaccurate claim may not be detected and corrected before it is submitted to DHS for reimbursement. Our finding and recommendations therefore remain as stated. Although it is in disagreement with our finding, we are encouraged that CMU is considering our recommendations.

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Appendix A

Objective, Scope, and Methodology

The Department of the Auditor General conducted this performance audit of the Case Management Unit (CMU) under the authority of Sections 402 and 403 of The Fiscal Code (Code), and in accordance with the 2018-2019 Budget Implementation provision of Article XVII-H, Subarticle B, Section 1715-H of the Code.²⁹ This audit was limited to the objective identified below and was not, nor was it required to be, conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. We planned and performed this audit to obtain sufficient, appropriate evidence to the extent necessary to satisfy the audit objective. We believe that the evidence obtained provides a reasonable basis to support our results, findings, and conclusions.

Objective

Our audit objective was to determine whether medical services for which the costs were reimbursed by the Pennsylvania Department of Human Services (DHS) were rendered.

Scope

The audit objective covered the period July 1, 2017 through June 30, 2018, with updates through the report date.

Methodology

To address the audit objective, we performed the following procedures:

- Reviewed the following laws, regulations, policies, and procedures applicable to CMU as a provider of Mental Health (MH) services for Medical Assistance (MA)-enrolled individuals to determine legislative, regulatory, and policy requirements related to our audit objective:
 - *Grants to States for Medical Assistance Programs*, Title XIX of the Social Security Act of 1935, as amended, (42 U.S.C. § 1396, *et seq.*).³⁰

²⁹ 72 P.S. §§ 402, 403, and 1715-H.

³⁰ <https://www.ssa.gov/OP_Home/ssact/title19/1900.htm> (accessed January 13, 2020).

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- *Medical Assistance Manual*, Part III, Title 55 of the Pennsylvania Code, (55 Pa. Code § 1101, *et seq.*).³¹
 - *Medical Assistance Manual*, Part VII, Title 55 of the Pennsylvania Code, (55 Pa. Code § 5221.1, *et seq.*).³²
 - *Office of Mental Health and Substance Abuse Services (OMHSAS) Bulletin*, OMHSAS-12-03, Documentation Requirements for Mental Health Targeted Case Management (TCM).³³
 - *CMU Mental Health Service Documentation* policy and procedure.³⁴
 - *CMU Recruitment and Selection Procedure* policy.³⁵
- Interviewed CMU management to gain an understanding of the organization and programs offered in order to identify which programs are associated with our population of claims that DHS approved for reimbursement to CMU during the audit period.
 - Obtained CMU’s written procedures that its case managers follow to document the MH services provided, in order to develop audit procedures that test management controls designed to ensure the accuracy of the service descriptions that support CMU’s MA reimbursement claims submitted to DHS and compliance with applicable laws and regulations.
 - Met with DHS staff from OMHSAS to gain an understanding of the MH Services program and the services eligible for reimbursement. We also discussed how claims are submitted for services provided for MA-enrolled individuals using the PROMISE system, which verifies the individuals’ MA eligibility before a claim is approved for reimbursement.
 - Obtained a data file from DHS OMHSAS containing all CMU MA claims that DHS approved for reimbursement during the period July 1, 2017 through June 30, 2018, totaling \$3,267,441. This data file included our audit population of 1,063 MH Services program claims totaling \$19,473.

³¹ <<http://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/055/partIIItoc.html&d=>> (accessed January 13, 2020).

³² <<http://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/055/chapter5221/s5221.1.html&d=reduce>> (accessed January 13, 2020).

³³ DHS Office of Mental Health and Substance Abuse Services Bulletin, OMHSAS-12-03, issued June 14, 2012.

³⁴ *CMU Mental Health Service Documentation* policy and procedure, No. P-02-18, August 29, 2018.

³⁵ *CMU Recruitment and Selection Procedure* policy, No.106, October 8, 2009.

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- Randomly selected 40 MH Services program claims from a data file provided by DHS OMHSAS. We ensured that the selected claims were associated with 40 different individuals.
- Developed and performed the following procedures to test the selected claims for compliance with laws and policies, and to ensure management controls were operating effectively based on our understanding of CMU’s procedures and review of example documentation:³⁶
 - Reviewed service documents associated with each selected claim to verify the service was provided and properly authorized based on CMU documents supporting its determination of the services needed. We ensured the CMU case manager who provided the services signed and dated the service documents and the service recipient signed the encounter form as required by regulations.³⁷
 - Used CMU employee attendance records to verify that its staff who provided the service and completed the service documentation was present on the service date.
 - Recalculated the number of units associated with each selected claim from the service times (duration of the provided service) included on CMU’s service documents and recalculated the claim amount by multiplying the units by the DHS-established reimbursement rate.³⁸
 - Verified the data associated with each MA claim selected for testing from the DHS OMHSAS file agreed with the claim’s source documents in accordance with DHS OMHSAS policy.
 - Agreed the case manager’s travel log to the details described in the service documentation for each selected claim where the case manager traveled to a location away from CMU’s office to provide the service. We also confirmed the travel log was approved by the case manager’s supervisor

³⁶ While representative selection is a required factor of audit sampling methodologies, audit sampling methodology was not applied to achieve this test objective; accordingly, the results of these audit procedures are not, and should not be, projected to the population.

³⁷<<http://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/055/chapter5221/s5221.33.html&d=reduce>> (accessed February 4, 2020).

³⁸<http://www.paproviders.org/archives/Pages/MA_Archive/OMHSAS_National_Code_Crosswalk_100205.pdf> and <<https://fas.org/sgp/crs/misc/R43847.pdf>> (accessed February 4, 2020).

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- Obtained corroborative confirmations directly from CMU’s case manager supervisors who electronically approved the service documentation created by the case managers providing the services related to the selected claims.
- Reviewed CMU’s personnel records for five case managers judgmentally selected from 30 case managers who provided the MH services associated with the 40 claims we tested. We ensured the records indicated that the staff possessed the minimum qualifications and received the training required to provide case management services according to regulations.³⁹ Noncompliance would invalidate the claims for services provided due to lack of evidence that the services were provided by qualified staff.⁴⁰

Data Reliability

We performed an assessment of the sufficiency and appropriateness of computer-processed information that we used to support our findings, conclusions, or recommendations. The assessment includes considerations regarding the completeness and accuracy of the data for the intended purposes.

To assess the completeness and accuracy of the data file received from DHS OMHSAS containing individual CMU claims approved by DHS during the period July 1, 2017 through June 30, 2018, we reconciled the total amount of MH Services program claims included in this file to data obtained from DHS and evaluated as part of the Commonwealth’s Single Audit for the fiscal year ended June 30, 2018.⁴¹ Additionally, we randomly selected 40 MH Services program claims from the DHS OMHSAS data file and agreed the data to source documents maintained by CMU as described in the *Methodology* section above. We therefore concluded the DHS OMHSAS data file was sufficiently reliable for the purposes of this engagement.

³⁹<http://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/055/chapter52/s52.27.html&d=reduce> (accessed January 31, 2020).

⁴⁰ Audit sampling methodology was not applied to achieve this test objective; accordingly, the results of this audit procedure are not, and should not be, projected to the population.

⁴¹ As part of the Single Audit, the Department of the Auditor General obtains monthly data files of MA claims from DHS. This data is evaluated and tested for reliability as part of the Single Audit of the MA program. While the DHS PROMISE system is the same source for both the MA claims data evaluated during the Single Audit and the claims data provided to us for CMU, we consider the Single Audit data to be a reliable independent source for purposes of our engagement since DHS provided the data at different times for different purposes.

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Appendix B

Distribution List

This report was distributed to the following Commonwealth officials:

The Honorable Tom Wolf
Governor

Mr. Gregory McCutcheon
Executive Director
Case Management Unit

Mr. Mark Verano
Chief Financial Officer
Case Management Unit

Ms. Leila Simmons
Mental Health Services Director
Case Management Unit

The Honorable Teresa D. Miller
Secretary
Department of Human Services

Ms. Tina Long
Director, Bureau of Financial Operations
Department of Human Services

Mr. Alexander Matolyak, CPA
Director, Division of Audit and Review
Department of Human Services

The Honorable Tom Murt
Majority Chair
House Human Services Committee

The Honorable Angel Cruz
Democratic Chair
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The Honorable Michelle Brooks
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Committee

The Honorable Arthur Haywood
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The Honorable Pat Browne
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The Honorable Jen Swails
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The Honorable Joseph M. Torsella
State Treasurer
Pennsylvania Treasury Department

The Honorable Josh Shapiro
Attorney General
Office of the Attorney General

The Honorable Michael Newsome
Secretary of Administration
Office of Administration

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