

Performance Audit

Ebensburg Center

**Commonwealth of Pennsylvania
Department of Public Welfare**

July 1, 2006, to February 20, 2009



Performance Audit

Ebensburg Center

**Commonwealth of Pennsylvania
Department of Public Welfare**

July 1, 2006, to February 20, 2009

September 16, 2010

The Honorable Edward G. Rendell
Governor
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania 17120

Dear Governor Rendell:

This report contains the results of a performance audit of the Ebensburg Center from July 1, 2006, to February 20, 2009. The audit was conducted under authority provided in Section 402 of The Fiscal Code and in accordance with *Government Auditing Standards*, as issued by the Comptroller General of the United States.

The report details our audit objectives, scope, methodology, findings, and recommendations. The report notes that Ebensburg Center did not process \$800 in monetary incentives to nurses correctly, did not provide all supplemental procedures training as identified in the prior two audits, and did not maximize Medicare Part B revenue. We discussed the contents of the report with officials of the center and all appropriate comments are reflected in the report.

We appreciate the cooperation extended to us by the management and staff of the Ebensburg Center and by others who provided assistance during the audit.

Sincerely,

JACK WAGNER
Auditor General

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Table of Contents

Background Information	3
Department of Public Welfare - Office of Developmental Programs.....	3
Ebensburg Center	3
Objectives, Scope, and Methodology	6
Audit Results	10
Elopements	10
Finding 1 – Ebensburg Center managed unauthorized absences effectively.....	10
Emergency Operations Plan	11
Finding 2 – Ebensburg Center maintained a comprehensive emergency operations plan.....	11
Employee Incentives	11
Finding 3 – Ebensburg Center correctly calculated monetary incentives for physicians and one-time signing bonuses for employees working under contractual agreements.	12
Finding 4 – Ebensburg Center did not process \$800 in monetary incentives to nurses correctly.....	12
Direct Care Staff Qualifications	13
Finding 5 – Ebensburg Center conducted timely and effective criminal background screenings.....	13
Finding 6 – Ebensburg Center did not provide all supplemental procedures training as identified in the prior two audits.....	13
Overtime.....	15
Finding 7 – Ebensburg Center managed overtime effectively.....	15
Medicare Part B.....	16
Finding 8 – Ebensburg Center did not maximize its Medicare Part B revenue.....	16
Status of Prior Audit Findings and Recommendations.....	18
Staff Training	18
Prior Finding 1 – Ebensburg Center did not provide all employees with required cardiopulmonary resuscitation training	18

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Table of Contents

Prior Finding 2 – Ebensburg Center did not provide supplemental procedures training.	19
Purchasing	19
Prior Finding IV-2 – Duties for SAP transactions were inadequately segregated.	19
Audit Report Distribution List	21

Background Information

Background Information

Department of Public Welfare - Office of Developmental Programs

An Executive Board order established the Office of Mental Retardation within the Department of Public Welfare, on December 8, 1972. As a result of reorganizations, the Office of Mental Retardation became the Office of Developmental Programs and within that, the Bureau of Supports for People with Intellectual Disabilities. This bureau directs the fiscal and program planning, management and oversight of all mental retardation program operations, including state operated facilities and community mental retardation programs.¹ Services provided by these programs are classified into four categories:

- Nonresidential community-based service
- Residential community-based service
- Intermediate care facilities
- Institution care

To provide care in the institutional setting, the Bureau is directly responsible for the operation of five mental retardation centers: Ebensburg/Altoona, Hamburg, Polk, Selinsgrove, and White Haven. The centers are physically separate institutions that provide residential care to individuals with severe and profound mental retardation.

Ebensburg Center

Ebensburg Center is one of five state mental retardation centers operated by the Office of Developmental Programs. It is located in the borough of Ebensburg, Cambria County, approximately 25 miles west of Altoona. It was established in 1961 as an annex to Selinsgrove Center and obtained its current designation in 1976. The center provides a structured environment for mentally retarded individuals to enhance the skills and behaviors for community and family living in order to promote eventual placement in community settings.

¹ www.state.pa.us/About/ODP, accessed June 23, 2010.

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Background Information

Ebensburg Center is situated on approximately 96 acres of land. In addition to 7 residential buildings, Ebensburg Center has 13 support buildings, which house services such as administrative offices, warehouse, power plant, and the dietary, and maintenance shops. A facility director manages the operations of the center with the assistance of management personnel assigned to four primary divisions: program services; medical services; support services; and planning, evaluation and development.

A nine-member board of trustees, appointed by the Governor with the advice and consent of the Senate, serves in an advisory capacity to the center's management.

Ebensburg Center, currently certified by the Pennsylvania Department of Health, provides intermediate care for the mentally retarded. The center also provides specialized services to individuals diagnosed as mentally retarded with severe emotional/behavioral needs. Ebensburg Center considers patient referral only after the base service units for each potential individual's county mental health/mental retardation program offices have determined that all possible alternatives for community service have been exhausted.

September 2010
 Pennsylvania Department of the Auditor General
Performance Audit of Ebsburg Center
Audit Period: July 1, 2006, to February 20, 2009

Background Information

The following schedule presents select unaudited center operating data compiled for the fiscal years ended June 30, 2007, and June 30, 2008:

	Using Rounding	
	2007	2008
Operating expenses²		
State share	\$29,192,608	\$30,746,458
Federal share	<u>34,903,675</u>	<u>33,766,000</u>
Total operating expenses	<u>\$64,096,283</u>	<u>\$64,512,458</u>
Employee complement at year-end	871	840
Bed capacity at year-end	402	402
Available client days of care for the year	146,730	147,132
Actual client days of care	116,815	109,737
Average daily client population ³	320	300
Percent utilization (based on client days of care)	79.6%	74.6%
Average cost per client per day ⁴	\$549	\$588
Annual average cost per client per year ⁵	\$200,385	\$215,208

² Operating expenses were recorded net of fixed assets, an amount that would normally be recovered as part of depreciation. In addition, regional level and indirect charges were not allocated to the totals reported here.

³ Average daily client population was calculated by dividing the actual client days of care for the year by the number of calendar days in the year.

⁴ Average cost per client per day was calculated by dividing the total operating expenditures by the actual client days of care.

⁵ Annual average cost per client per year was calculated by multiplying the daily average cost per client by the number of calendar days in the year.

Objectives, Scope, and Methodology

Objectives, Scope, and Methodology

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

We selected the audit objectives from the following general areas client, facility, personnel, and revenue management. In addition, we determined the status of recommendations made during the prior audit of the center. The specific objectives were:

- To assess the effectiveness of the Ebensburg Center's management of elopement incidents, as well as compliance with Department of Public Welfare and Ebensburg Center policies and procedures regarding unauthorized absences. (Finding 1)
- To assess the completeness of the emergency/evacuation plan. (Finding 2)
- To determine the propriety and use of pay incentives for employees. (Findings 3 and 4)
- To assess the adequacy of qualifications of the direct care staff including training and criminal history clearances. (Findings 5 and 6)
- To determine if Ebensburg Center has adequate control over overtime expenses. (Finding 7)
- To determine whether Ebensburg Center maximized Medicare Part B revenues. (Finding 8)

The scope of the audit covered the period July 1, 2006, to February 20, 2009, unless indicated otherwise in the individual report findings. We opened fieldwork on October 27, 2008, and we completed our analysis on February 20, 2009.

Objectives, Scope, and Methodology

To accomplish these objectives, we reviewed applicable Department of Public Welfare policies and procedures pertaining to elopement incidents;⁶ reviewed Department of Public Welfare and Ebensburg Center policies regarding emergency operations planning⁷ and Ebensburg Center's emergency operations plan; reviewed Commonwealth and Department of Public Welfare policies and procedures pertaining to employee incentives⁸ and the provisions of applicable union contracts,⁹ reviewed Commonwealth and Department of Public Welfare policies and procedures for direct care staff qualifications;¹⁰ reviewed

⁶ Commonwealth of Pennsylvania, Department of Public Welfare, Mental Retardation Bulletin Nr. 6000-04-01, "Incident Management," effective February 28, 2004.

⁷ Commonwealth of Pennsylvania, Department of Public Welfare, Bureau of Administrative Services, "Administrative Policies, Emergency Operations Planning" (formerly 7068), issue date June 2, 2005; Commonwealth of Pennsylvania, Governor's Office, Management Directive 505.27, "The Work and Community Right to Know Act," effective August 8, 1993;

Commonwealth of Pennsylvania, Governor's Office, Management Directive 720.3, "Emergency Evacuation Plans at Commonwealth Facilities," effective December 3, 2004;

Commonwealth of Pennsylvania, Governor's Office, Executive Order No. 2002-1, "Commonwealth Internal Operations Emergency Preparedness Steering Committee," effective March 22, 2002;

Commonwealth of Pennsylvania, Department of Public Welfare, Safety/Occupational Health Manual, Section 7067.4, "Safety Plans," effective May 25, 2006.

⁸ Commonwealth of Pennsylvania, Governor's Office, Management Directive 525.16, "Physicians and Related Occupations Quality Assurance Program," effective February 14, 2006;

Commonwealth of Pennsylvania, Governor's Office, Management Directive 535.2, "Physicians and Related Occupations Specialty Board Certification Payments," effective February 21, 2006;

Commonwealth of Pennsylvania, Department of Public Welfare, Human Resources Bulletin Nr. 04-03, "Modifications to the Quality Assurance Program Provision of the Pennsylvania Doctors Alliance Collective Bargaining Agreement and Memorandum of Understanding," issued July 29, 2004.

⁹ Memorandum of Understanding between Commonwealth of Pennsylvania and OPEIU Healthcare Pennsylvania, Local 112, effective July 1, 2007, to June 30, 2011;

Agreement between Commonwealth of Pennsylvania and The Service Employees International District 1199P, CTW, CLC, effective July 1, 2007, to June 30, 2011;

Agreement between Commonwealth of Pennsylvania and Local 668 SEIU Pennsylvania Social Services Union, effective July 1, 2007, to June 30, 2011;

Master Agreement between the Commonwealth of Pennsylvania and Council 13, American Federation of State, County and Municipal Employees, AFL-CIO, effective July 1, 2007, to June 30, 2011;

Agreement between Commonwealth of Pennsylvania and the Pennsylvania State System of Higher Education and Pennsylvania Doctors Alliance, effective July 1, 2005, to June 30, 2009.

¹⁰ Pennsylvania Code Title 6, "Aging," Chapter 15, "Protective Services for Older Adults," Section 15.140, "Criminal History Record Information Reports;"

Commonwealth of Pennsylvania, Governor's Office, Management Directive 515.15, "Identification, Employment, and Education Verification Checks," effective June 13, 1997.

Objectives, Scope, and Methodology

applicable Department of Public Welfare policies and procedures for overtime;¹¹ and reviewed applicable policies and procedures for Medicare Part B payments.¹²

We interviewed Ebensburg Center’s director and assistant director of administrative services, the quality assurance risk management specialist, the institutional safety manager, the assistant superintendent of administrative services, the residential unit manager, and the medical records director.

To assess the effectiveness of the Ebensburg Center’s management of elopement incidents, as well as compliance with Department of Public Welfare and Ebensburg Center policies and procedures regarding unauthorized absence, we reviewed the incident reports and supporting documentation for all seven unauthorized absences that occurred from July 1, 2006, to December 31, 2008.

To assess the completeness of Ebensburg Center’s emergency/evacuation plan, we reviewed the prepared emergency operations plan and determined whether it complied with the requirements specified by the Commonwealth.

To determine the propriety and use of pay incentives for employees, we reviewed the June 2007 employee complement report for employee identification and eligibility and then examined support for employee incentives and other cash payments made during the fiscal years ended June 30, 2006, 2007, and 2008.

To assess the adequacy of qualifications of the direct care staff, we reviewed the criminal history screening information for all 119 employees hired from July 1, 2006, through November 20, 2008. We also reviewed training records for 45 direct care staff assigned to 10 randomly selected residents to determine if staff received the required supplemental procedures training.

To determine if Ebensburg Center has adequate control over overtime expenses, we reviewed monthly overtime expenditure reports from July 1, 2006, through December 31, 2008, randomly selected and tested overtime expenses for 29 of 746 employees who received overtime from July 1, 2008, through December 31, 2008, and reviewed Ebensburg Center’s plan to reduce departmental overtime.

¹¹Commonwealth of Pennsylvania, Governor’s Office, Management Directive 525.15, “Overtime,” effective February 10, 1997.

¹² Commonwealth of Pennsylvania, Department of Public Welfare, Ebensburg Center Policy and Procedure Manual, Policy No. 1001, “Medicare Part B/Encounter Forms,” effective December 18, 2008.

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Objectives, Scope, and Methodology

To determine whether Ebensburg Center maximized Medicare Part B revenues, we randomly selected and reviewed the Medicare billing forms and medical records for 28 of 272 Medicare Part B eligible residents for the months of April, May, and June 2008.

Audit Results

Audit Results

Eloperments

The Department of Public Welfare's incident management policy established processes that ensure the health and safety, enhance the dignity, and protect the rights of individuals receiving supports and services. The processes include uniform practices for:

- Building organizational policies and structures to support incident management.
- Taking timely and appropriate action in response to incidents.
- Reporting of incidents.
- Investigating of incidents.
- Taking corrective action in response to incidents.
- Implementing quality improvement, risk management and incident management processes for the analysis and interpretation of individual and aggregate incident data.¹³

Finding 1 – Ebensburg Center managed unauthorized absences effectively.

Ebensburg Center staff initiated searches immediately when a patient was identified as absent. Incident reports were completed for all seven elopements selected for testing. The Ebensburg Center timely and thoroughly reported each incident to the Department of Public Welfare according to Department of Public Welfare policies. The incidents were reviewed during the daily risk management meeting and team meetings were held when necessary to discuss plans to prevent reoccurrence.

¹³ Commonwealth of Pennsylvania, Department of Public Welfare, Mental Retardation Bulletin Nr. 6000-04-01, "Incident Management," effective February 28, 2004.

Audit Results

Emergency Operations Plan

The Department of Public Welfare is a large service-delivery agency charged with providing financial and human services to Pennsylvania's most vulnerable citizens. The Department of Public Welfare's emergency operations and continuity of operations planning is an effort to ensure delivery of critical services and continued operations of essential functions in the event of a man-made or natural disaster or other emergency.

Ebensburg Center is required to protect clients and property from any hazardous situation, and maintains an emergency operations plan to be used during emergencies.

Finding 2 – Ebensburg Center maintained a comprehensive emergency operations plan.

Ebensburg Center's emergency operations plan included all of the elements required by Department of Public Welfare policies. The comprehensive plan included preparation and response for disasters such as fire, severe weather, utility interruption, hazardous materials, bomb threats, medical emergencies, security/lockdown procedures, on-grounds relocation, missing persons and work stoppage situations. In addition, the plan included reciprocal agreements with other Department of Public Welfare facilities and local agencies to provide resources during an emergency.

Employee Incentives

The Commonwealth has developed certain programs, incentives and union contract stipulations in order to attract, retain, and reward medical and dental professionals. The quality assurance program provides monetary incentives, based on years of service, to attract, retain, and reward the medical professionals. Also, a physician who has one or more specialty board certifications is eligible for additional compensation. Nursing employees who obtain certification receive an annual incentive through their union contract. In addition, the AFSCME contract had a one-time signing bonus for all active employees as of July 1, 2007, and this incentive was extended to management.

Audit Results

Finding 3 – Ebensburg Center correctly calculated monetary incentives for physicians and one-time signing bonuses for employees working under contractual agreements.

We reviewed all monetary incentive payments to physicians from July 1, 2006, through June 30, 2008. The payments were calculated accurately and processed in accordance with contractual agreements.

Ebensburg Center made the \$1,250 one-time bonus payment to full-time employees and the \$625 payment to part-time employees who were on active pay status as of July 1, 2007, or who were inactive but returned to active status prior to December 31, 2007. A review of payroll data revealed these payments were accurately processed. There was no evidence of any other incentive payments made to Ebensburg Center employees.

Finding 4 – Ebensburg Center did not process \$800 in monetary incentives to nurses correctly.

The nurses' union contract provided a \$200 monetary incentive to nurses who earn certain professional certifications in an appropriate specialization. We found that the center processed bonuses for 17 nurses. A review of supporting documentation revealed that four employees were not eligible for the bonuses yet they received payment. Two of the employees were nurses who did not obtain the required certifications. A third employee was a nurse with an expired certification and the fourth employee was not a nurse.

Ebensburg Center management stated that the errors occurred because the employee that normally processed the certification payments was on extended leave and another employee incorrectly processed bonus payments for the ineligible employees.

Recommendations:

1. Ebensburg Center management should recover the bonuses payments made to employees in error.
2. In addition, management should require staff that process bonus payments to obtain accurate certification documentation prior to processing the payment.

Audit Results

Comments of Ebensburg Center Management:

Ebensburg agrees that four (4) annual certification bonuses were paid in error. All four payments were recovered. Ebensburg now requires annual renewals of certification prior to bonus payment transactions being processed.

Direct Care Staff Qualifications

Ebensburg Center, through the Department of Public Welfare, is responsible for providing all employees with initial orientation and continuing education and training programs that focus on skills and competencies directed toward the safety and care of the patients as well as the staff of the institution. Professionally licensed employees must complete continuing education programs within a certain timeframe as required by their respective licensing boards. Direct care employees provide daily care to the residents. Many residents possess unique physical needs that require additional care procedures.

Finding 5 – Ebensburg Center conducted timely and effective criminal background screenings.

The review of criminal history background checks of 119 employees revealed that Ebensburg Center submitted and received criminal history background checks prior to the hire date for all 119 employees. The background checks did not disclose any convictions for these employees.

Finding 6 – Ebensburg Center did not provide all supplemental procedures training as identified in the prior two audits.

Our prior two audits reported that Ebensburg Center did not provide all direct care staff with the required supplemental procedures training. In addition, the center did not have a written policy for providing the training and for the documentation of the training.

The current audit of supplemental procedures training revealed that Ebensburg Center again did not ensure that all direct care staff received the specialized training noted on the supplemental procedures forms. In addition, management still did not develop policies and procedures to ensure direct care staff received all training related to the residents' supplemental procedures.

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Audit Results

The state operations manual regulations state:

(4) Staff must be able to demonstrate the skills and techniques necessary to implement the individual program plans for each client for whom they are responsible.¹⁴

We selected a sample of 10 residents and reviewed their individual program plans to determine the special needs that required specialized training and found that the 10 residents had 45 direct care staff assigned to them. We selected the 45 direct care workers for testing of supplemental procedures training. Each direct care worker is required to sign a staff instruction card for each supplemental procedure as documentation of receiving the training. The 45 workers tested were required to sign a total of 112 staff instruction records. Our audit found that the staff instruction records were either not signed, or not signed timely.

The following table reflects the results of that testing.

Supplemental Procedures	Number of records	Percentage
Signed	62	55%
Signed - untimely	44	40%
Not signed	<u>6</u>	<u>5%</u>
Total	<u>112</u>	<u>100%</u>

Direct care staff must receive supplemental procedures training in order to perform their duties effectively. Failure to train employees properly may jeopardize the health and safety of the clients.

Ebensburg Center management stated that specialized training is conducted within a few months after an individual program plan is completed. An instruction record is inserted in the client's medical chart that details the special needs procedures, the effective beginning and ending dates, and the signature of the professional staff responsible for the procedures and the training of staff. All direct care staff assigned to the specific client must sign an instruction record sheet to document the completion of the specialized training that is also included in the client's medical record.

¹⁴ Commonwealth of Pennsylvania, Department of Health, State Operations Manual, Appendix J, "Guidance to Surveyors," Part II, "Interpretive Guidelines – Intermediate Care Facilities for Persons with Mental Retardation," §483.430(e)(4), "Standard: Staff training program."

Audit Results

Recommendation:

3. Ebensburg Center management should develop and enforce written policies and procedures to ensure that all direct care staff receive supplemental procedures training. The policy should require the direct care staff supervisors maintain documentation such as a file note or email in order to ensure that the training was received.

Comments of Ebensburg Center Management:

Ebensburg acknowledges that in approximately 50% of the records reviewed, direct care staff training was either not verified or was not timely. Ebensburg has changed its previous process of training with a new process. The new process has all staff re-assigned to any area receiving training by the appropriate Qualified Mental Retardation Specialist (QMRP) who is the case manager for those individuals, within 30 days of the staff being assigned to the area and documented in the individual's record.

Overtime

Department of Public Welfare policy states that overtime is to be kept to a minimum and that agency heads are required to strictly control the use of overtime compensation to prevent increasing expenditures.

Finding 7 – Ebensburg Center managed overtime effectively.

We randomly selected and tested overtime expenses for 29 of 746 employees who received overtime from July 1, 2008, through December 31, 2008. Our testing of overtime for 29 employees revealed that all overtime was approved, calculated and recorded correctly.

We also reviewed the steps taken by the center to control overtime. Ebensburg Center developed a work plan to help reduce and control overtime in each department. The work plan requires overtime to be reviewed each morning in the daily management meetings. In October 2008, the Department of Public Welfare's Office of Developmental Programs required Ebensburg Center to designate an overtime manager to help control and reduce overtime. As part of the work plan, monthly teleconferences are held with all mental retardation centers to discuss ways to control and reduce overtime including utilizing the

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Audit Results

best practices from each center in scheduling practices and managing overtime. In addition, in November 2008, Ebensburg Center management reduced the first and second shift minimum staffing levels in each of the four residential buildings by one resident staff assistant. As a result of these changes, overtime charges decreased from \$183,290 for October 2008, to \$131,425 for December 2008.

As a result of our testing and the actions taken by Ebensburg Center to control and reduce overtime, we concluded that Ebensburg Center managed overtime effectively.

Medicare Part B

Ebensburg Center residents who receive Railroad Retirement, Social Security or similar retirement payments may be eligible to participate in the Medicare Part B insurance program. For each eligible resident, Ebensburg Center can seek reimbursement for certain medical/psychiatric procedures performed by its professional medical staff. These procedures are recorded in the client's medical file and on an "encounter form," which is forwarded to the reimbursement office for billing.

Finding 8 – Ebensburg Center did not maximize its Medicare Part B revenue.

A review of residents' medical records identified eligible Medicare Part B procedures that were not billed to Medicare. A review of 28 residents' medical records revealed that 10 files contained 18 eligible procedures totaling \$762 that were not billed. In addition, our audit found that the reimbursement office billed the wrong rate for 6 procedures totaling \$102 in lost revenue. These procedures were billed at the 2007 rate instead of the 2008 rate.

Each month, physicians complete "encounter forms" detailing the Medicare Part B eligible procedures performed for each resident. Medical records staff reviews each form to ensure that all procedures has been properly coded. The forms are then forwarded to the reimbursement office for billing.

Ebensburg Center management stated that some doctors are better than others at recording all eligible procedures. The medical records department performed periodic spot checks of residents' charts to ensure all eligible procedures were included on the "encounter forms." However, according to management, the spot checks have not been completed lately due to the lack of staff.

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Audit Results

Ebensburg Center developed new Medicare Part B policies that went into effect in December 2008. The new policies require medical records personnel to perform spot checks on the resident charts to ensure all eligible procedures are included on the encounter forms. Our audit of this area was completed by the time the new policy became effective, therefore, we did not test the new procedures.

Recommendations:

4. Ebensburg Center management should ensure that physicians properly document Medicare Part B eligible procedures to ensure that revenue is maximized.
5. In addition, the center should seek reimbursement from Medicare for the procedures not included on the encounter forms and for the procedures billed at the wrong rate.
6. Our audit examined only a small portion of the patient records for a three-month period. Ebensburg Center management should review the remaining records to identify other Medicare Part B eligible procedures.
7. Management should monitor and enforce the new policy of conducting spot checks to ensure all billable procedures are included on the encounter forms.

Comments of Ebensburg Center Management:

Ebensburg did become aware of these issues through this audit. During the course of the audit Ebensburg did seek re-imbusement for under billed and non-billed encounters that were discovered. The facility has initiated an audit process for other records.

Status of Prior Audit Findings and Recommendations

Status of Prior Audit Findings and Recommendations

The following is a summary of the audit results and recommendations presented in the audit report for the period July 1, 2003, to July 7, 2006, along with a description of Ebensburg Center's disposition of each recommendation.

Staff Training

Prior Finding 1 – Ebensburg Center did not provide all employees with required cardiopulmonary resuscitation training.

Our prior audit reported that a review of the CPR certification database revealed that 32 of 665 employees did not renew their CPR certifications within the required timeframe. In addition, two employees did not have any CPR training dates listed on the database or in their training records. We also identified seven employees listed on the employee complement that were not in the database. Of those seven employees, three did not renew their certifications within the required timeframe. We recommended Ebensburg Center management ensure that all direct care staff receive updated training and renew their certifications within the required timeframe. We also recommended that management periodically review the database to ensure that all required employees are included on the list.

Status:

Our current audit found that Ebensburg Center has made improvements in providing employees with the required CPR training. As of November 25, 2008, only 8 of 633 employees, or 1.3 percent, did not renew their CPR certifications within the required timeframe. These 8 employees' certifications expired in September or October 2008. Therefore, we concluded that Ebensburg Center has substantially complied with our recommendations.

Status of Prior Audit Findings and Recommendations

Prior Finding 2 – Ebensburg Center did not provide supplemental procedures training.

Our prior audit reported Ebensburg Center did not provide all direct care staff with the required supplemental procedures training. Also, Ebensburg Center did not have a written policy for providing the training and for the documentation of the training. We recommended that Ebensburg Center management develop and enforce written policies and procedures to ensure that all direct care staff receive annual supplemental procedures training. We also recommended that the policy require the direct care staff supervisors to maintain documentation such as a file note or an e-mail in order to ensure that the training was received.

Status:

Our current audit revealed that Ebensburg Center still did not provide all direct care staff with supplemental procedures training. Please refer to Finding 6 in the current audit for further information.

Purchasing

Prior Finding IV-2 – Duties for SAP transactions were inadequately segregated.

Our prior audit revealed that Ebensburg Center had not made the necessary changes in order to improve segregation of duties within the SAP system. This finding was first reported in our audit for the period from July 1, 2001, to January 23, 2004. We found that there were two purchasing agents and a clerk/typist that have been assigned the authority to create purchase orders and receive goods in the SAP system. Ebensburg Center management indicated that the purchasing agents were given the role of receiver as part of their job responsibilities in which they serve as backup for operations of both storerooms at Altoona and Ebensburg Centers. Altoona Center closed storeroom operations in May 2006. An employee from the storeroom at Altoona Center was transferred to Ebensburg Center's storeroom.

Management indicated that because of this situation they would review the roles assigned to employees in the purchasing department and make the necessary changes. Management also stated that it would consider establishing compensating controls if optimum segregation of duties could not be achieved.

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Status of Prior Audit Findings and Recommendations

Status:

The current audit revealed that two purchasing agents and two clerk typists still had the authority to create purchase orders and receive goods in the SAP system. Ebensburg Center eliminated conflicting roles for three of the four employees during our current audit. The remaining employee with conflicting roles was the purchasing agent. On January 9, 2009, Ebensburg Center obtained approval for an exemption to allow the purchasing agent to retain the conflicting role of receiver when serving as a backup for storeroom operations. The exemption was necessary in order to avoid out of class pay to other staff. We found that Ebensburg Center established compensating controls for the purchasing agent. The purchasing agent usually creates food purchase orders and only received storeroom items, not food items. Also, the purchasing agent is the receiver in the storeroom only 10 to 14 times a year. Because of these changes, we have concluded that Ebensburg Center has resolved the prior finding.

September 2010
Pennsylvania Department of the Auditor General
Performance Audit of Ebensburg Center
Audit Period: July 1, 2006, to February 20, 2009

Audit Report Distribution List

Audit Report Distribution List

The Honorable Edward G. Rendell
Governor

The Honorable Patricia H. Vance
Chair
Public Health and Welfare Committee
Senate of Pennsylvania

The Honorable Vincent J. Hughes
Democratic Chair
Public Health and Welfare Committee
Senate of Pennsylvania

The Honorable Frank L. Oliver
Chair
Health and Human Services Committee
Pennsylvania House of Representatives

The Honorable Matthew E. Baker
Republican Chair
Health and Human Services Committee
Pennsylvania House of Representatives

The Honorable Robert M. McCord
State Treasurer
Pennsylvania Treasury Department

Department of Public Welfare
The Honorable Michael Nardone
Acting Secretary

Kevin Casey
Deputy Secretary
Office of Mental Retardation

Tina L. Long, Director
Division of Financial Policy and Operations
Bureau of Financial Operations

John Kaschak
Director of Audits
Office of Comptroller Operations
Office of the Budget

Ebensburg Center
Marlinda K. Smith
Director

This report is a matter of public record and is accessible at www.auditorgen.state.pa.us or by contacting the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, Pennsylvania 17120. Telephone: 717-787-1381.