

***CHILDREN'S SERVICES ACT  
PROGRAM AUDIT***

***Prince William County  
Self-Assessment Validation***

***Final Audit Report No. 27-2020***

**July 21, 2021**



**Office of Children's Services**  
Empowering communities to serve youth

---

## **Report Disclaimer**

Due to the COVID-19 pandemic, onsite visits to validate management's conclusions have been suspended until further notice. In lieu of onsite visits, self-assessment validation activities were conducted remotely.

---



## COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.  
Executive Director

OFFICE OF CHILDREN'S SERVICES  
*Administering the Children's Services Act*

July 21, 2021

Courtney Tierney, CPMT Chair  
7987 Ashton Ave., Suite 200  
Manassas, VA 20109

RE: Prince William County CSA Program Self-Assessment Validation  
Final Report, File No. 27-2020

Dear Ms. Tierney,

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Year 2020-2021, the Prince William County Community Policy and Management Team (CPMT) has completed and submitted the results of the self-assessment audit of your local Children's Service Act (CSA) Program. Based on the review and examination of the self-assessment workbook and supporting documentation provided by the Prince William County CSA program covering the period December 1, 2018 through November 30, 2019 our independent validation:

Concurs

Partially Concurs

Does Not Concur

with the conclusion reported by the Prince William County CPMT that significant observations of non-compliance or internal control weaknesses were found in the design or operation of the processes or services conducted on behalf of the Prince William County CSA Program. The explanations for our assessment results are as follows:

***The Prince William County CPMT concluded that there were significant non-compliance and/or internal control weakness observations noted. A summary of non-compliance and/or internal control weaknesses reported by the CPMT are included as Attachment A to this report. While the CPMT reported non-compliance and internal control weaknesses, validation procedures identified additional deficiencies not originally reported by the CPMT. Specifics pertaining to the Prince William County CSA Program are detailed on pages 2 through 4.***

**SIGNIFICANT NON-COMPLIANCE AND INTERNAL CONTROL WEAKNESS**

1. During the period of review, expenditure reimbursements were requested and processed for payment of services where the requirements for compliance with State and local CSA policies and procedures were not met. Notable exceptions were present in six (6 or 40%) of fifteen (15) client records examined. In addition, data integrity concerns were identified in five (5 or 30.5%) of fifteen (15) client records. Itemized below are the specific issues observed. Refer to Tables A and B below for detailed description of exceptions and a breakdown of the applicable questioned costs. Specifics for applicable client records are included in Attachment B of this report.

Table A Client File Review Exceptions – Fiscal Impact					
Exception Rate	Description (Code)				
20% (3/15)	1. Reimbursable by an alternate funding source (Medicaid or Title IV-E). For two (2) of the three (3) clients, there was no evidence of the Independent Assessment and Care Coordination Team (IACCT) process prior to residential placement. § 2.2-5211, Current Appropriation Act, CSA Policy 4.4.2 Medicaid Funded Services, and Administrative Memo #16-08 Administrative Guidance Regarding the DMAS/Magellan IACCT Process				
27% (4/15)	2. Assessments required to access state pool funds were not evidenced (Community-based Behavioral Health Services/Intensive In-Home and Virginia Enhanced Maintenance Assessment Tool). CSA Policy 6.3 Community-based Behavioral Health Services and Virginia Department of Social Services Foster Care Manual E, Section 18.2 Paying for Enhanced Maintenance				
7% (1/15)	3. Financial reporting error/incorrect expenditure category. Foster Care Maintenance was incorrectly coded as community-based service, resulting in a higher state share reimbursement.				
Exception Code	Clients	Service Description	Period	Total Cost	State Share
1	A,E, and F	Congregate Care Services (Medicaid)	2/2019 - 12/2019	\$39,169.38	\$22,455.81
	E	Transportation (Title IV-E)	12/2018 and 9/2019	\$100.66	\$83.48
2	A, B, and C	Community-based Behavioral Health Services/Intensive In-Home	12/2018 – 10/2019	\$13,290	\$11,021.40
	D	Virginia Enhanced Maintenance Tool	12/2018 – 1/2019	\$2,240	\$1,475.26
3	D	Congregate Care Service	2/2019 – 5/2019	\$604.62	\$604.62
Total Questioned Costs				<b>\$55,404.66</b>	<b>\$35,640.56</b>

Table B Client File Review Exceptions – No Fiscal Impact		
Exception Rate	Clients	Description/Data Integrity Error
27% (4/15)	B,C, G, and H	4. Expenditure Category
7% (1/15)	H	5. Primary Mandate Type
7% (1/15)	F	6. Service Name

**SIGNIFICANT NON-COMPLIANCE AND INTERNAL CONTROL WEAKNESS**

2. The Prince William County Policies Manual for At Risk Youth and Families establishes policies exemptions for FAPT assessment and CPMT funding authorization that are not aligned with CSA statutes and policies directed by the Virginia Department of Social Services (VDSS) pertaining to foster care maintenance. See local policy excerpt below:

A. All expenditures of pool funds must be approved by a CPMT, except the following:

- 1 Family foster care costs may be approved by the Foster Care Manager/Supervisor in Department of Social Services, to include only the following costs:
  - Room and board.
  - Virginia Enhanced Maintenance Assessment Tool (VEMAT) determined rates.
  - Daycare.
  - Non-Medicaid reimbursable transportation.
  - Yearly clothing allowance.
  - Educational expenses not to exceed \$500/year. All financial aid for which the child may be eligible must first be accessed.
  - Additionally, the total cumulative of incidental monthly cost not to exceed \$1,000.

While COV 2.2-5209 grants CPMTs the authorization to exempt foster care maintenance only cost from FAPT assessment, this provision does not extend to CPMT authorization of funding. Exemptions from FAPT assessment still require review and funding authorization by CPMT or designee that is independent of the entity responsible for service planning recommendations. Further, the list of expenditures still includes items other than foster care maintenance that would be subject to FAPT assessment: non-Medicaid reimbursable transportation, educational expenses, and incidental monthly costs that exceed the rate established in VDSS policy. Lastly, funding for incidental costs are included in the monthly basic maintenance rates. Payments that exceed the established rate represent an increase of the monthly basic payment, which is not allowable per VDSS Policy 18.1.4 and 18.1.6.

Similar observations were included in the prior audit report date October 12, 2018. The client response noted that the “Local Policy will be revised in accordance to the Auditor comment section”. Prince William County CSA representatives indicated that the local policy was revised and approved on June 3, 2021 with the following notation: “The updated policy corrects the issue cited in the previous two audits related to funding.”

3. Fifteen (15) client records were examined to confirm that required documentation was maintained in support of and to validate Family Assessment and Planning Team (FAPT) service planning and utilization review activities. At least one exception was noted in five (5 or 33%) of the records reviewed. Per CSA Policy 3.5 Records Management, “Each CPMT shall ensure collection of child-specific documentation to demonstrate compliance with the CSA. The list of minimum documents required to retained included the following that were omitted from the client records examined:

- Treatment plans/progress reports (3/15 or 20%)
- Utilization review data (2/15 or 13%)
- Signed vendor contract/provider placement agreement (2/15 or 13%)

### RECOMMENDATIONS

1. Prior to authorizing funding, the CPMT should ensure that the proposed expenditure meets the criteria for CSA funding i.e., meeting all federal and state requirements. Adequate documentation should be maintained as justification for CPMT funding decisions, such as but not limited to: verification of eligibility/denial for alternate funding sources (Title IV-E and Medicaid), required assessments are completed (Community-based Behavioral Health, IACCT and VEMAT), and expenditures classified as foster care maintenance are appropriate.
2. CSA Office and fiscal staff should perform periodic quality assurance reviews of client expenditure transactions to ensure complete and accurate financial reporting of mandate types, expenditure categories, and service name descriptions.
3. The CPMT should periodically review the local policy manual to ensure continued alignment with all federal and state laws, regulations, policies, and procedures that govern the provisions of services for CSA eligible children and families.
4. CSA Office should perform periodic quality assurance reviews of client records to ensure the collection of minimum documentation as required per the CSA records management policy.
5. The CPMT should submit a quality improvement plan, for review by the OCS Finance Office, including whether the CPMT agrees with the observations regarding questioned costs. Upon review and recommendations presented by OCS Finance staff, the CPMT will be notified of the final determination made by the Executive Director based on SEC approved policy 4.7 Response to Audit Findings of whether the identified actions are acceptable or any additional actions that may be required.

### CLIENT COMMENT

The Prince William County CPMT has reviewed the Self-Assessment Validation report, and concurs with the recommendations as presented. There have already been substantial changes in the CSA program since the period of review covered in this self-assessment, to include activities that meet recommendations 1 – 4 above.

These activities include:

- Enhanced staff oversight of verification of required assessments;
- Increased training to staff regarding expenditure and reporting categories;
- Changes to the financial system to prevent coding errors;
- Changes to local policy to better align with federal and state requirements; and
- Improved utilization review procedures.

The CPMT does concur with the questioned costs, with the exception of Exception Code 1, case F. This client did have full Medicaid coverage as a Household of One, but that type of Medicaid does not cover services in a Therapeutic Group Home level of care. Documentation was submitted during the validation process to demonstrate that the services were not eligible for Medicaid coverage, and we would like that questioned cost to be reconsidered. All other questioned costs are assessed as legitimate, and CSA staff have taken measures to ensure that these areas of concern are addressed moving forward, if not already corrected.

**AUDITOR RESPONSE TO CLIENT COMMENTS**

**Refer to Attachment C**

The Office of Children's Services respectfully requests that you submit a quality improvement plan (QIP) to address the observations outlined in this report no later than 30 days from receipt of this report. We ask that you notify this office as QIP tasks identified to address significant observations are completed. OCS will conduct a follow up validation to ensure the quality improvements have been implemented as reported.

We would like to thank the Prince William County Community Policy and Management Teams and related CSA staff for their contributions in completing the CSA Self-Assessment Workbook. We also would like to acknowledge the excellent assistance and cooperation that was provided by Jessica Webb, CSA Coordinator during our review. Ms. Webb's efforts enabled the audit staff to resolve any questions/concerns that we observed during the validation process. Please feel free to contact us should you have any questions.

Sincerely,



Stephanie S. Bacote, CIGA  
Program Audit Manager

cc: Scott Reiner, Executive Director  
Christopher E. Martino, Prince William County Executive  
Elizabeth M. Roe, CPMT Fiscal Agent  
Jessica Webb, CSA Coordinator

Attachments



**CSA Self-Assessment Validation**  
**Prince William County CSA Program Audit- SAV**  
**Summary of Self-Reported Non-Compliance Observations and Internal Control Weaknesses**

Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan Submitted	Quality Improvement Plan Action Date/ Status
1. Recruit parent representative for each of the Family Assessment and Planning Teams	COV § 2.2-5207	<input type="checkbox"/>	<input checked="" type="checkbox"/>	12/31/2020 In progress: One parent rep on FAPT
2. Develop a CSA Strategic Plan	COV § 2.2-5206 ARMICS <sup>1,2</sup>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	9/30/2020 Completed
3. Establish an ongoing Training plan for FAPT, CPMT, and Case Managers	ARMICS <sup>1,2</sup>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6/30/2020 Completed
4. Improve documentation for discharge planning in child-specific case action forms (Individual Family Services Plan)	<a href="#">SEC Policy Manual and CSA User Guide</a> Policy Manual, Section 3.5	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1/31/2020 Completed
5. Completion of discharge CANS for closed cases	<a href="#">SEC Policy Manual and CSA User Guide</a> Policy Manual, Section 3.6	<input type="checkbox"/>	<input checked="" type="checkbox"/>	06/30/2020 In Progress
6. Records retention should include appropriate documentation of destruction on RM-3 forms.	Library of Virginia Records Management Retention Schedule GS-15	<input type="checkbox"/>	<input checked="" type="checkbox"/>	06/30/2020 Completed
7. Improve documentation of CSA eligibility for children found eligible for Child in Need of Services (CHINS) Prevention or Parental Agreement	<a href="#">SEC Policy Manual and CSA User Guide</a> Policy Manual, Section 4.1.1 ARMICS <sup>1,3</sup>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	01/31/2020 Completed
8. Update Policy Manual	ARMICS <sup>1,2,3</sup>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	06/30/2021 Completed

**ARMICS (Agency Risk Management and Internal Control Standards):**

- <sup>1</sup>Control Environment
- <sup>2</sup>Information and Communication
- <sup>3</sup>Monitoring





## CLIENT-LEVEL DETAIL

**Exception Description Code: Questioned Costs**

1. Reimbursable by an alternate funding source (Medicaid or Title IV-E). For two (2) of the three (3) clients, there was no evidence of the Independent Assessment and Care Coordination Team (IACCT) process prior to residential placement. § 2.2-5211, Current Appropriation Act, CSA Policy 4.4.2 Medicaid Funded Services., and Administrative Memo #16-08 Administrative Guidance Regarding the DMAS/Magellan IACCT Process
2. Assessments required to access state pool funds were not evidenced (Community-based Behavioral Health Services/Intensive In-Home and Virginia Enhanced Maintenance Assessment Tool). CSA Policy 6.3 Community-based Behavioral Health Services and Virginia Department of Social Services Foster Care Manual E, Section 18.2 Paying for Enhanced Maintenance
3. Financial reporting error/incorrect expenditure category. Foster Care Maintenance was incorrectly coded as community-based service, resulting in a higher state share reimbursement.

Exception Code	Client	Period	Total Cost	Match Rate	State Share	Service Description Description
1	A	Mar-19	\$ 12,198.50	0.4267	\$ 6,993.40	Residential Treatment Services
1	E	Jul19-Sep19	\$ 6,762.88	0.4267	\$ 3,877.16	Residential Supplemental Therapies
1	E	Dec18 & Sep19	\$ 100.66	0.1707	\$ 83.48	Transportation
1	F	Feb19-Aug19	\$ 14,298.00	0.4267	\$ 8,197.04	Residential Supplemental Therapies
1	F	Feb19-Aug20	\$ 5,910.00	0.4267	\$ 3,388.20	Applied Behavioral Analysis
1,2	A	Sep19-Oct19	\$ 840.00	0.1707	\$ 696.61	Intensive In-Home
2	B	Jun19-Aug19	\$ 7,890.00	0.1707	\$ 6,543.18	Intensive In-Home
2	C	Dec18-May19	\$ 4,560.00	0.1707	\$ 3,781.61	Intensive In-Home
2	D	Dec18-Jan19	\$ 2,240.00	0.3414	\$ 1,475.26	Foster Care/Enhanced Maintenance
3	D	Feb19-May19	\$ 604.62		\$ 604.62	Foster Care Maintenance/Independent Living
		Total	\$ 55,404.66		\$ 35,640.56	Total State Share

Exception Code	Client	Exception Description: Data Integrity Error
4	B	<b>Expenditure Reporting Category:</b> Expenditures reported as 2F (Mandated Community-based Services) while refunds were reported as 3(Non-mandated Services). Refunds are intended to offset cost of services funded. Therefore, reporting categories should be consistent.
4	C	<b>Expenditure Reporting Category:</b> Expenditures reported as 2F (Mandated Community-based Services) while refunds were reported as 3(Non-mandated Services). Refunds are intended to offset cost of services funded. Therefore, reporting categories should be consistent.
4	G	<b>Expenditure Reporting Category:</b> Expenditures reported as 1C (Residential Congregate Care: CSA Parental Agreements/DSS Non-Custodial Agreements) instead of 1B (Foster Care: All Other in Licensed Congregate Care)
4	H	<b>Expenditure Reporting Category:</b> Expenditures documented in the same invoice were reported as 3 (Non-mandated Services) instead of 2F (Mandated Community-based Services).
5	H	<b>Primary Mandate Type:</b> Expenditures documented in the same invoice were recorded in different primary mandate types: 4 (FC CHINS Prevention), 10 (Special Education Services), and 11 (Non-Mandated)
6	F	<b>Service Name Description:</b> Medical Counseling (34) was incorrectly coded as Residential Supplemental Therapies (33)

**AUDITOR RESPONSE****July 21, 2021**

We acknowledge Prince William County CSA provided documentation during the validation process in an effort to demonstrate that Client F had *“full Medicaid coverage as a Household of One, but that type of Medicaid does not cover services in a Therapeutic Group Home level of care.”* After thoughtful and thorough consideration, including consultation with the Department of Medical Assistance Services (DMAS), we determined that the characterization of full Medicaid coverage as a household of one was not applicable to Client F. Per DMAS policy, Medicaid Household of One (HH1) only applies to Psychiatric Residential Treatment Facility (PRTF) clients. A child placed in a Therapeutic Group Home (TGH) is still in the custody of the parent and not considered a HH1 even if placed for 30 days or more.

Upon further inquiry, DMAS representatives also confirmed that covered services for a child placed in a TGH would be the same whether they were determined Medicaid eligible prior to or after placement. DMAS Residential Treatment Services Manual, specifically the policy regarding IACCT referrals, also requires notification to DMAS/Magellan within 5 days of Medicaid eligibility to initiate the assessment/referral process required to fund residential treatment services. Prince William County CSA acknowledged that documentation of the IACCT referral and Certificate of Need (CON) required to access Medicaid funding was not on file for Client F.

Although Prince William County CSA asserts that Full Medicaid HH1 was approved in December 2018, such characterization would be incorrect for the time in which the application for benefits was made and the period of coverage in question (2/1/19 - 8/31/19). The documentation provided clearly indicates that Client F was receiving TGH services at the time Medicaid eligibility was approved. Therefore, Medicaid HH1 was not applicable. Client F was eligible for full Medicaid during the period of review. That coverage includes TGH services where the requirements for IACCT referral are completed. For Client F, the IACCT referral did not occur.