



COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.
Executive Director

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

June 6, 2018

Mr. Jim Taylor, CPMT Chair
Hanover County CSA Program
POB 470
Hanover, VA 23069

RE: Hanover County Children's Services Act (CSA) Program
Audit Self-Assessment Validation, File No. 38-2018

Dear Mr. Taylor,

In accordance with the Office of Children's Service's (OCS) Audit Plan for Fiscal Year 2018, the Hanover County Community Policy and Management Team (CPMT) has completed and submitted the results of the self-assessment audit of your local CSA Program. An on-site visit was scheduled and conducted by OCS Program Auditors on February 9, 2018 to perform the independent validation phase of the process.

Based on the review and examination of the self-assessment workbook and supporting documentation provided by the Hanover County CSA program, our independent validation:

Concurs Partially Concurs Does Not Concur

with the conclusion reported by the Hanover County CPMT that no significant observations of non-compliance and/or internal control weaknesses were identified in the design or operation of the processes or services conducted on behalf of Hanover County CSA. The explanation for our assessment results are as follows:

The Hanover County CPMT concluded that there were only non-significant compliance and/or internal control weakness observations noted. However, validation procedures of the locally prepared CSA Self-Assessment Workbook identified a deficiency indicating non-compliance in the local CSA program. Non-compliance with the statutory requirements of CSA and policies adopted by the State Executive Council for Children's Services (SEC) is considered significant because the local program is not operating fully in accordance with the laws of the Commonwealth. Specifics pertaining to the Hanover County CSA Program are detailed on page two (2).

SIGNIFICANT NON-COMPLIANCE OBSERVATION

Hanover County CSA did not consistently adhere to established policies to “ensure access to appropriate community-based behavioral health services for all children and youth regardless of whether they were funded by Medicaid or Pool Funds.” Eight clients identified were referred for community-based behavioral health services, either Intensive In-Home (IIH) or Therapeutic Day Treatment (TDT). However, there were three (3) instances where non-Medicaid eligible clients were referred for IIH or TDT in which local practice did not comply with established policy as follows:

- Documentation of an assessment was not maintained that included the signature and written approval of a licensed mental health professional (with their stated credentials).
- As an alternative, Hanover representatives did not opt to purchase an independent clinical assessment.
- The CPMT did not formally request (in writing) an exception to this policy through OCS predicated on exceptional circumstances that would warrant an exception.

Per CSA Policy, state pool funds expended for community-based behavioral health services that do not comply with the established criteria shall be subject to denial of funds. Hanover County CSA expended a total of \$2,035 for two (2) clients. Private insurances funded the services on behalf of the third client. OCS facilitated reimbursement of the state share totaling \$1,583.

CLIENT	FY	Service	Questioned Costs*
001	2017	IIH	\$0
002	2017	IIH	\$720
003	2017	TDT	\$1,315
Total			\$2,035
State Share			\$1,583
*Based on figures reported in client payment history provided by Hanover County CSA Office.			

Criteria: COV [§ 2.2-5206 Item 6, Policy Manual for the Children’s Services Act, Section 6.3 Community Based Behavioral Health Services](#)

RECOMMENDATIONS

- The Hanover County CPMT should take appropriate action to ensure that non-compliance observations are addressed. Prior to funding authorization, the CPMT should ensure that required assessments have been completed and signed (where applicable) by authorized persons and/or required waivers have been granted. The Hanover CSA Office should maintain required documentation in the individual client records to evidence compliance requirements have been met.
- The CPMT should submit a quality improvement plan, for review by the OCS Finance Office, including whether the CPMT agrees with the observation regarding questioned costs. Upon review and recommendation presented by OCS Finance staff, the CPMT will be notified of the final determination made by the Executive Director of whether the identified actions are acceptable or any additional actions that may be required.

Mr. Jim Taylor, CPMT Chair

June 6, 2018

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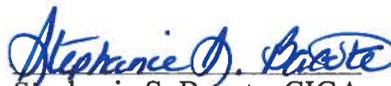
CLIENT COMMENTS

See attachment for client comments and auditor response.

The Hanover CPMT has submitted a quality improvement plan to address the observations outlined indicating tasks were completed as of November 30, 2017 and that “as of May 21, 2018, Hanover CSA has not yet approved any community based-mental health services since this issue was discovered in November 2017.” OCS will conduct a follow up validation to ensure the quality improvements have been implemented as reported.

We would like to thank the Hanover County CPMT 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 Julie Dubee, CSA Coordinator during and following our on-site visit. Ms. Dubee’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
Cecil Harris, Jr., Hanover County Administrator
Jackie Manzer, CPMT Fiscal Agent
Julie Dubee, CSA Coordinator

Attachment

**ATTACHMENT
CLIENT COMMENTS AND AUDITOR RESPONSE**

Client Comment:

12304 Washington Highway
Ashland, Virginia 23005



(804) 365-4143
(804) 365-4110 (fax)
csa@hanovercounty.gov

Hanover County Children's Services Act
Community Policy and Management Team

June 1, 2018

Ms. Stephanie S. Bacote
Office of Children's Services
1604 Santa Rosa Road – Suite 137
Richmond, Virginia 23229

Ms. Bacote,

Thank you for your audit and important feedback to our program. We enjoy working with you and appreciate your time and attention to detail. Please find below our comments to the draft report on Hanover County Children's Services Act self-assessment audit:

Hanover CPMT respectfully disagrees with the language that policies were not adhered to regarding 'ensuring access to appropriate community-based behavioral health services for all children....' as no clients were denied needed services. Rather, there was a lapse in obtaining evaluation documentation for non-Medicaid eligible clients prior to receiving the service. While we acknowledge this is an internal control concern, we do not feel this finding qualifies as significant. Additionally, the funding related to this internal control concern is well less than 1% (0.04%) of Hanover County CSA's total budget.

Hanover CPMT acknowledges there were three cases identified during the CSA Coordinator's completion of the Self-Assessment Workbook that should have had a documented assessment approved by a licensed mental health professional. Upon self-identifying the issue, Hanover CPMT implemented a Quality Improvement Plan to ensure that an independent clinical assessment is performed prior to approval of community-based behavioral health services. Since the implementation of the Quality Improvement Plan in November 2017, there have been no incidents of non-compliance with the community-based behavioral health services policy.

Hanover CPMT is invested in continuous improvements to our CSA program and appreciates the opportunity to work with the Office of Children's Services to strengthen our program and better serve Hanover youth and families.

Respectfully Submitted,

James P. Taylor
Deputy County Administrator / CPMT Chair

ATTACHMENT
CLIENT COMMENTS AND AUDITOR RESPONSE

Auditor Response:

The observation was deemed significant because it represents non-compliance with the Code of Virginia statutes and policies established by the State Executive Council that govern implementation of the Children's Services Act. To that end, the supporting rationale includes the following: (1) there were three options available to comply with the policy and none were met in any of the three cases identified. (2) The length of time that the practice continued without detection (over 1 year in one case and at least 6 months in another); these are cases in which utilization reviews occur more than annually allowing for potential errors and/or irregularities to be resolved prior to an audit. (3) It's an indication of management's acceptance or willingness to override established policy, based on knowledge of the policy requirement for an assessment but still electing to take the risk of non-compliance. (4) Lastly, the services were provided without evidencing via the assessment that the child met the criteria established by DMAS regulation for the specific community-based service to be provided. This was not in keeping with the purpose and intent of CSA to provide services appropriate to need and in the least restrictive setting.