



State of Utah

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July 8, 2015

John M. Schaff
CIA Auditor General
W315 State Capitol Complex,
Salt Lake City, UT 84114

Mr. Schaff,

The Division of Services for People with Disabilities (DSPD) appreciates the opportunity to report on the progress made by DSPD regarding audit recommendations made in October of 2014. Specifically DSPD is responding to the language set forth below:

The Legislature intends the Division of Services for People with Disabilities (DSPD) in the Department of Human Services provide to the Office of the Legislative Fiscal Analyst no later than September 1, 2015 a report that includes a(n): 1) response to each specific audit recommendation found in A Performance Audit of the Division of Services for People with Disabilities (October 2014 - Audit No. 2014 - 10), 2) identification of specific efficiencies gained by DSPD through implementing the audit's recommendations, 3) estimate of savings, if any, achieved through implementation of each recommendation, and 4) measures that demonstrate effective implementation of each recommendation. The Legislature further intends the Office of the Legislative Fiscal Analyst provide the report to the Office of the Legislative Auditor General (OLAG) and that OLAG review the report in order to assess: 1) if the measures accurately demonstrate effective implementation of the recommendations and 2) the accuracy of the savings estimates, if any. The Legislature further intends OLAG report its review of the DSPD report to the Social Services Appropriations Subcommittee.

(1) We recommend that DSPD ensure their policies reflect the RAS processes clearly and accurately, providing direction on how additional services are requested and assessed.

DSPD has continued to discuss and draft policies and procedures to govern the systematic request and assessment of all requests for services. At the same time, DSPD has been working on the implementation of an interactive module in the USTEPS Information System that will impose these policies in a way that ensures consistent adherence to the overall process. Both the development of policies and procedures as well as the interactive USTEPS module have been the product of consistent meetings among DSPD staff and more recently workgroups involving input and participation from stakeholders and the Disabilities Advisory Council.

DSPD has finalized many business policies and procedures surrounding the systematic request for services. As DSPD has integrated these ideas into the concept of the interactive USTEPS module, additional business processes have been developed and fleshed out to ensure usability and minimize

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confusion regarding how services are requested and assessed. This is both for the benefit of those requesting services as well as the DSPD Request for Services Committee in assessing those requests.

Specific policies and procedures drafted include: criteria that must be met before funding for additional services can be provided, the process by which that information is provided and services are requested, how DSPD will address emergency situations, and which needs-based changes can be made to a person's budget by support coordinators outside the request for services process. We are currently in the process of evaluating policy for when requests may be deferred for more information or must be denied because of a lack of it.

It is anticipated by DSPD that the improvements cited above standardize requirements for requesting additional services and ensure that the requests are processed in the same manner each time. The OLAG audit was clear that there are no anticipated cost-savings associated with the implementation of the recommendations. DSPD expects improved clarity and understanding of the RAS process through the implementation of the OLAG audit recommendations. DSPD does not anticipate cost-savings.

Currently eight of thirteen identified policies have been drafted. As we continue to build the USTEPS module additional unforeseen policy requirements and processes may be required to be addressed by the DSPD staff working on this project. We measure the effective implementation of this recommendation currently at 50% complete. After having the process reviewed completely by our Disabilities Advisory Council and the Department of Health we will consider the implementation at 75% complete. Finally, we will measure the project to be 100% complete once all policy has been reviewed, published, and implemented.

(2) We recommend DSPD create a checklist to provide structure and a consistent assessment process.

DSPD agreed with this recommendation, "...to the extent that it represents a recommendation to develop a consistent and standardized assessment process, whereby DSPD may more reliably determine the needs of individuals served." To that point, DSPD has developed a comprehensive set of criteria, with justifications that may be answered and proven based upon the infinite variable of circumstances that may arise in a person's life. The criteria developed will absolutely provide structure and consistency in the process of assessing whether a person has an unmet need for additional services.

Specific efficiencies are present with the implementation of the criteria for both the requesting party and the DSPD Request for Services Committee. Not only will support coordinators and families requesting services have a clear understanding of the expectations that are set to justify a request for services, but the Request for Services Committee will have standardized questions and benchmarks when faced with such a request.

Provided are two examples of the criteria that will be required and specificity as it is applied to each service code individually:

Behavior Consultation Service 2 – BC2 Criteria

- For BC2 Services the person must demonstrate that:
 - The person has a need for behavior consultation to address targeted behavior that is serious in nature because it is complex or dangerous, but not life threatening, to the person or others because of the specific nature of the targeted behavior or because the behavior is complicated by medical or other factors unique to the person;
 - The person's behavior plan may require the use of restraints or intrusive interventions as defined in Section R539-4; and
 - The target behavior cannot be addressed through use of BC1 services as demonstrated by:
 - The increasing severity or complexity of the person's targeted behavior, despite being provided with a sufficient amount of BC1 services for a sufficient amount of time; or
 - The seriousness of the target behavior is such that BC1 services would be inappropriate

Residential Habilitative Services – RHS

- For RHS Services the person must demonstrate:
 - The person has no natural supports or caregiver with whom the person can live with or who is capable of addressing the person's health and safety needs;
 - The person is unable to address the person's activities of daily living, without significant and consistent support and assistance from another; and
 - The person needs consistent direct supervision.

DSPD has created criteria similar to that shown above for each service code that may be requested as part of a request for services. Similar to the previous recommendation, the OLAG audit was clear that there are no anticipated cost-savings associated with the implementation of this recommendation. DSPD expects improved clarity and understanding of the RAS process through the implementation of the OLAG audit recommendations. DSPD does not anticipate cost-savings.

These codes have been provided to the Disabilities Advisory Council for further review and feedback. Codes will require periodic review and adjustments to comply with occasional changes to the Medicaid Waivers through which we provide these services. At this point however, pending feedback from stakeholders and the Department of Health, DSPD is ready to implement the criteria.

(3) We recommend that DSPD clarify and establish what standard documentation is required to support requests for additional services.

Gathering standard and consistent documentation has been a key component of the criteria that DSPD has developed. Each piece of criteria for each service code has clearly linked documentation which is required as well as documentation that is recommended in all cases. Using the two examples provided in the previous response demonstrates exactly how this documentation is linked.

Behavior Consultation Service 2 – BC2 Criteria

- For BC2 Services the person must demonstrate that:
 - The person has a need for behavior consultation to address targeted behavior that is serious in nature because it is complex or dangerous, but not life threatening, to the person or others because of the specific nature of the targeted behavior or because the behavior is complicated by medical or other factors unique to the person; (NS = 12, 23, 26, IS = 12, 23, 26, 1, 2, 24)
 - The person’s behavior plan may require the use of restraints or intrusive interventions as defined in Section R539-4; and (NS = 0, IS = 1, 2)
 - The target behavior cannot be addressed through use of BC1 services as demonstrated by:
 - The increasing severity or complexity of the person’s targeted behavior, despite being provided with a sufficient amount of BC1 services for a sufficient amount of time; or (NS = 1, 2, 12, 26, IS = 1, 2, 12, 24, 26)
 - The seriousness of the target behavior is such that BC1 services would be inappropriate (NS = 1, 2, 12, 26, IS = 1, 2, 12, 24, 26)

Residential Habilitative Services – RHS

- For RHS Services the person must demonstrate:
 - The person has no natural supports or caregiver with whom the person can live with or who is capable of addressing the person’s health and safety needs;(NS= 2, 4, 12, 26, 16, 17, 19, 23 IS= 2, 4, 12, 26, 16, 17, 19, 23)
 - The person is unable to address the person’s activities of daily living, without significant and consistent support and assistance from another; and (NS and IS= 2,4,12,26,16,17,19,23)
 - The person needs consistent direct supervision; (NS and IS= 2,4,12,26,16,17,19,23)

The codes and numbers following each piece of criteria link to documentation that is either required or recommended, depending on the situation, for requests that represent a “NS – New Services” or an “IS – Increased Service.” Each number corresponds to a document type on the Documentation Reference Guide provided in summary below:

1. Behavior Assessment
2. Behavior Support Plans
3. Community Supports Questionnaire
4. Comprehensive Brain Injury Assessment (CBIA)
5. Court Hearing Request
6. Court Orders
7. Division of Rehabilitation Services Referral
8. Disposition
9. IRS I-9
10. Functional Assessment Interview (FAI)
11. Human Rights Review

12. Incident Reports
13. Budget Worksheet
14. Enhanced Staffing Request and Evaluation Form (DSPD 930)
15. Intensive Respite Screening Form (DSPD 929)
16. Medical Reports
17. Neuro Reports
18. Physical Exam
19. Police Reports
20. Psychological Evaluations/Assessments
21. Risk Assessment
22. Self-Administered Services Agreement
23. Log Notes
24. Behavior Data
25. Documentation of Staff Training
26. Supports Intensity Scale (SIS)
27. Inventory for Client and Agency Planning (ICAP)
28. Person Centered Profile
29. Medication Screens
30. Functional Limitations
31. Adaptation Assessment – EA1/EA2
32. Private Insurance Denial
33. Medicaid Insurance Denial
34. Contractor Bids - SM/EA Codes
35. Monthly Financial Summaries

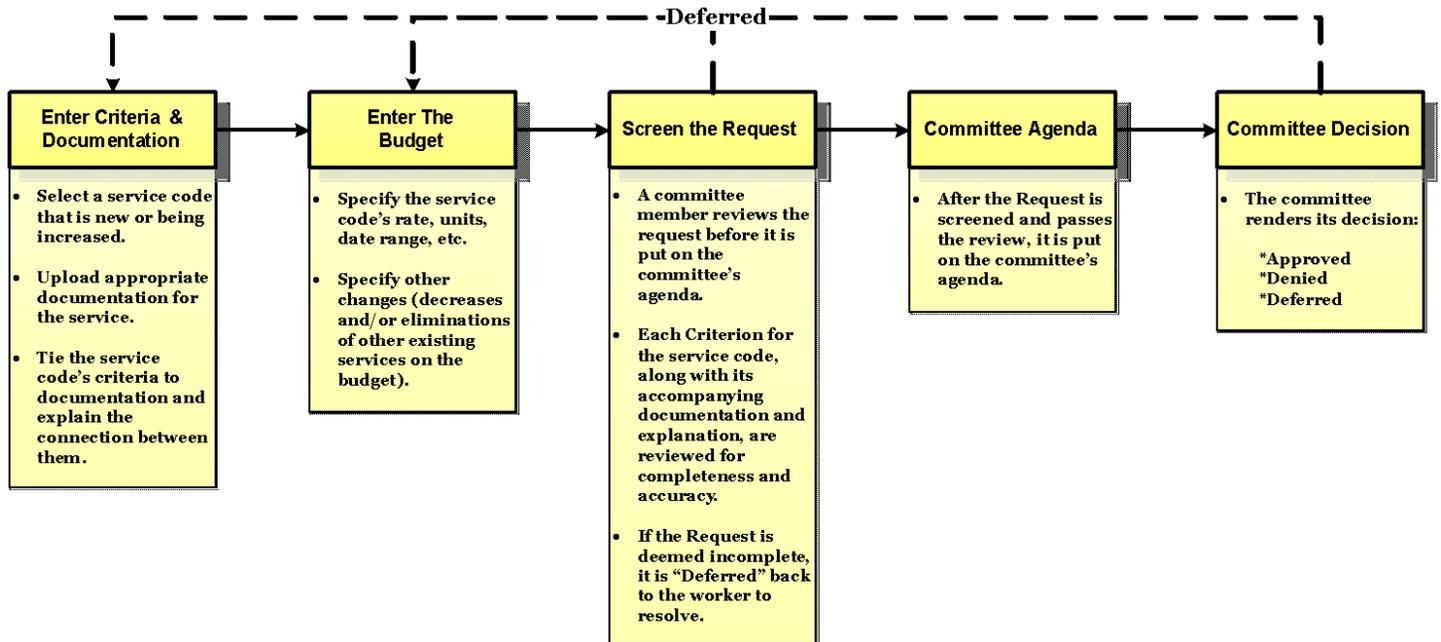
Similar to the criteria, the recommended Documentation Reference Guide with its requirements has been provided to the Disabilities Advisory Council for further review and feedback.

Documentation will require periodic review and adjustments to comply with occasional changes to the Medicaid Waivers along with the service code criteria. At this point however, pending feedback from stakeholders and the Department of Health, DSPD is ready to implement the documentation requirements.

(4) We recommend that DSPD track, maintain, and store additional service requests and the outcomes in a consistent and standard manner.

A major component of DSPD efforts to develop and implement policies and procedures has been development of the USTEPS module that will be used to track and provide DSPD with the data to internally manage and enforce those policies and procedures.

For several years, DSPD was tracking and recording this data using spreadsheets that were managed by individuals in different areas of the DSPD organization. In the past year, DSPD has transitioned 100% to using the USTEPS module to track requests and outcomes. The goal however, is to transition to a system that is paperless, electronic, and contains the richness of data that the rest of the audit has recommended. That electronic process can be summed up in the graphic provided below:



At this point, DSPD would consider the recommendation 70% implemented and will be 100% implemented once DSPD is able to transition fully to the paperless electronic process discussed above.

(5) We recommend that DSPD create standard and reliable data-driven measures to: 1) assess additional service requests and allocations to best understand client needs, and 2) provide more accurate monitoring of DSPD's processes.

The important function of the USTEPS module when transitioned completely to the electronic system is that the richness of data will allow DSPD to track, maintain, and store information submitted to DSPD when a request is made as well as when a decision is made. Once DSPD begins to capture this information, the ability to analyze trends in service requests will be incredible and become routine for DSPD staff. This includes history of requests, types of services requested, patterns by support coordinators in making requests, providers who account for the majority of additional services, and so much more.

A huge focus for DSPD in tracking this information will be to be able to maintain fidelity to the process through internal quality management review. DSPD is about 50% complete with this recommendation as many of these measures to track have been identified. Once the USTEPS module is completely up and running, the data and measures set can begin to be tested for reliability. DSPD would consider this recommendation 75% complete at that point. DSPD would measure 100% completion at the point that the measures and data are considered reliable and fully reportable. DSPD does not expect any cost-savings from implementation of this recommendation.

(6) We recommend that DSPD implement a systematic internal review assessing individual's budgets and ensure DSPD's resources are used as effectively as possible.

DSPD has developed a multi-year process and policy for the review of budgets and to ensure that persons' budget plan totals are aligned with actual expenditures. The policy for this has been reviewed by the Disabilities Advisory Council and Department of Health and is recorded in Division Directive 2.5 Aligning Budget Plan Total with Actual Expenditure.

DSPD is in the midst of implementing the first year of the budget alignments which focus on Service Plans for individuals that are out of alignment by \$5,000.00 or more for the last two completed plan cycles. Year two will focus on Service Plans for individuals that are out of alignment by \$3,000.00 or more. Year three will focus on Service Plans that are out of alignment by \$1,000.00 or more. From that point DSPD will determine an appropriate threshold to target based upon acceptable administrative capacity.

In the first year of budget alignments, DSPD identified 526 people with budgets out of alignment by \$5,000.00 or more. After a review with each person's support coordinator, 432 of the 526 people were issued a Notice of Agency Action that their budget would be reduced to the amounts actually being spent. 20 people appealed the notice within ten days and will be allowed to retain their existing budget until the appeal is resolved. The remaining 412 people had budget alignments implemented, totaling \$1,298,671 ongoing annualized (General Fund).

As DSPD has implemented an ongoing policy and procedure for the systematic review of assessing budgets, DSPD would consider this recommendation 100% complete at this point.

The OLAG audit was clear that there are no anticipated cost-savings associated with the implementation of this recommendation. DSPD expects improved Service Plan alignment through the implementation of this OLAG audit recommendation. DSPD does not anticipate cost-savings.

Sincerely,

A handwritten signature in black ink that reads "Paul T. Smith". The signature is written in a cursive style with a large initial "P" and "S".

Paul T. Smith
Director
Division of Services for People with Disabilities