



A PERFORMANCE AUDIT OF THE DIVISION OF FAMILY HEALTH AND PREPAREDNESS

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
STAFF: RUSSELL FRANSEN

ISSUE BRIEF

Summary

This issue brief follows up on all 21 recommendations made by the Legislative Auditor General in [A Performance Audit of the Division of Family Health and Preparedness](#). The Department of Health reports that it has implemented 17 or 81% of the 21 recommendations. The fiscal analyst disagrees that four of the 17 recommendations are completed. This brief is for informational purposes only and requires no legislative action.

Discussion and Analysis

Background

The Legislative Auditor General provided 21 recommendations for the Department of Health in its [A Performance Audit of the Division of Family Health and Preparedness](#). The Department of Health originally anticipated completing twelve of the 21 recommendations by October 1, 2018. As of October 1, 2018, the Department of Health self-reported completing 17 or 81% of the 21 recommendations. The Department of Health anticipates completing all recommendations by December 2019.

The full report from the Department of Health available at <https://le.utah.gov/interim/2018/pdf/00003808.pdf> is in response to the following intent language passed by the Legislature in H.B. 7, *Social Services Base Budget*, from the 2018 General Session:

Item 28 – Health anticipated completing 12 of the 21 Recommendations by October 1, 2018.

The Legislature intends that the Department of Health report to the Office of the Legislative Fiscal Analyst by October 8, 2018 on the status of all recommendations from Office of the Legislative Auditor General's November 2017 A Performance Audit of the Division of Family Health and Preparedness that the Department of Health had anticipated finished implementing in its agency response to the legislative audit.

There will be an additional report on the status of implementing other recommendations as per the intent language below:

Health originally anticipated completing 17 of the 21 Recommendations by December 31, 2018.

The Legislature intends that the Department of Health report to the Office of the Legislative Fiscal Analyst by January 7, 2019 on the status of all recommendations from Office of the Legislative Auditor General's November 2017 A Performance Audit of the Division of Family Health and Preparedness that the Department of Health had anticipated finished implementing in its agency response to the legislative audit.

The summary information in the sections below include the following information:

- 1) Self-reported status of recommendation by the Department of Health (completed or in-progress)

- 2) The quotes are the original recommendations from [A Performance Audit of the Division of Family Health and Preparedness](#).
- 3) Summary of action taken by the Department of Health.
- 4) Staff comments in *italics* (where applicable).

Four Recommendations Where the Analyst Disagrees with the Agency's Completed Status Report

1. Completed "We recommend the Bureau of Health Facility Licensing adopt efficiencies such as implementing an electronic surveying process, restructuring survey teams, and performing analysis on the benefits and costs of multiple surveyor locations." (Chapter 3, Recommendation #2)
 - a. In 2020 the federal government will move its data system to be web-based. This system may allow for implementing electronic surveys.
 - b. The department has begun sending individual surveyors where the workload is minimal.
 - c. The department plans to do more cost analysis of multiple surveyor locations.
 - d. *The fiscal analyst believes the status of this item should be reported as in-progress until an electronic survey process is implemented and a full cost analysis of multiple surveyor locations has been completed.*
2. Completed "We recommend that Baby Watch Early Intervention update and clarify policies, utilizing stakeholder input throughout the process. Policy changes should include, but are not limited to, the use of background checks and data system changes." (Chapter 4, Recommendation #2)
 - a. Early Intervention program contracts now include requirements for all providers to have a background check.
 - b. *The fiscal analyst believes this item should still be reported as in-progress as the clarification of policies was not limited to background checks and the department did not report any other policy reviews.*
3. Completed "We recommend that Baby Watch Early Intervention track and utilize data on service hours and service types for all program participants." (Chapter 4, Recommendation #4)
 - a. The program hired a data manager in June 2018.
 - b. *The fiscal analyst believes that efforts have been made but the intent of the recommendation has not been completed.*
4. Completed "We recommend that the Division of Family Health and Preparedness develop and implement a plan to improve funding for Baby Watch Early Intervention and report annually their progress to the Social Services Appropriations Committee. This plan should include:
 - a. A cost-benefit analysis to determine if a fee schedule would be an improvement over the current bundled Medicaid payments,
 - b. a cost-benefit analysis of private insurance utilization, and

- c. if private insurance is deemed cost-effective, the development of statutory language supporting private insurance billing.” (Chapter 4, Recommendation #5)
- d. The Department of Health determined that a cost study should be undertaken and plans to complete that study by December 2019.
- e. *Since the Department of Health has not completed the cost study, this item is not complete but rather in-progress.*

Status of Remaining Twenty-one Recommendations

- 5. Completed “We recommend Child Care Licensing develop clear policies regarding use of sanctions to address patterns of noncompliance.” (Chapter 2, Recommendation #1)
 - a. After receiving input on January 10th from the child care licensing committees and training staff, the Department of Health implemented its new policies effective March 1, 2018. The department has seen a decrease of 39 or 63% (62 to 23) in the number of sanctions issued and an increase of \$475 or 4.6% in the amount of sanctions for January through June of 2018 when comparing to historical period January through June of 2017.
 - b. Please see <https://childcarelicensing.utah.gov/rules/Interpretation/Center/Center%202018%20Section%205%20-%20Rule%20Violations%20&%20Penalties.pdf> for more information.
- 6. Completed “We recommend Child Care Licensing clarify policies and procedures for the appeals process after consultation with their legal counsel, including a process for increasing monitoring during appeals.” (Chapter 2, Recommendation #2)
 - a. The Department of Health has had to do monitoring inspections for 67 facilities during the new appeal process. Based on the 126 appeals in FY 2018, the Department of Health may do up to 15 days monitoring inspections for 126 facilities in FY 2019 appeal levels are similar to FY 2018.
 - b. The department shortened the appeal process from 30 to 15 days effective August 10, 2018.
- 7. Completed “We recommend policies for sanctions and appeals be made publicly available online.” (Chapter 2, Recommendation #3)
 - a. The Department of Health indicates that the rules are available online at <https://childcarelicensing.utah.gov/rules/Interpretation/Center/Center%202018%20Section%205%20-%20Rule%20Violations%20&%20Penalties.pdf>.
- 8. Completed “We recommend the Bureau of Health Facility Licensing calculate and track the average time between surveys for each facility type to better understand their backlog.” (Chapter 3, Recommendation #1)
 - a. The department has developed a program to perform this tracking. The department tracked this information before, but now it is easier to obtain and in real-time.

9. In-progress “We recommend the Bureau of Health Facility Licensing improve efficiencies, then work with the Legislature to set an oversight standard for quality and survey duration and benchmark funding to that level.” (Chapter 3, Recommendation #3)
 - a. The department proposes a two-year survey schedule. The department will seek funding solutions during the 2019 General Session of the Utah Legislature.
10. In-progress “We recommend the Bureau of Health Facility Licensing publicly post their survey findings online.” (Chapter 3, Recommendation #4)
 - a. The department anticipates having a web page available in 2020.
11. Completed “We recommend the Bureau of Health Facility Licensing utilize statutory enforcement mechanisms that promote provider compliance and maximize state resources.” (Chapter 3, Recommendation #5)
 - a. The department made the following rule changes:
 - i. Changed definition of chronic and continuous non-compliance,
 - ii. Added conditional license as a sanction option, and
 - iii. Increased civil monetary penalty amounts. Please see the following summary of civil money penalties at <https://le.utah.gov/interim/2018/pdf/00003911.pdf> for more information.
12. Completed “We recommend the Bureau of Health Facility Licensing thoughtfully adopt formal civil money penalty policies that can be consistently applied among providers.” (Chapter 3, Recommendation #6)
 - a. The department approved a policy for internal use in July 2018.
13. Completed “We recommend the Bureau of Health Facility Licensing, along with the Health Facilities Committee, amend their administrative rules to align with current survey practices and utilize them to better enforce compliance.” (Chapter 3, Recommendation #7)
 - a. The new rules were effective by September 2018.
14. Completed “We recommend the Bureau of Health Facility Licensing continue to work with providers to ensure their compliance with Utah Code 26-21-206 [Covered providers and covered contractors required to apply for clearance of certain individuals].” (Chapter 3, Recommendation #8)
 - a. Program staff provided provider trainings and continues to follow up on complaints regarding background checks.
15. Completed “We recommend the Bureau of Health Facility Licensing work closely with the Department of Human Services to better integrate DACS with the SAFE database to reduce background screening queues.” (Chapter 3, Recommendation #9)
 - a. A new process for an automatic electronic check began in July 2018.

16. Completed “We recommend the Bureau of Health Facility Licensing adopt a policy detailing what would allow them to overturn a deniable offense during the first level of the appeals process.” (Chapter 3, Recommendation #10)
- a. The bureau finalized the rule in March 2018.
17. Completed “We recommend that the staff of Baby Watch Early Intervention perform on-site monitoring of contracted providers to ensure quality of services.” (Chapter 4, Recommendation #1)
- a. The Baby Watch Early Intervention Program (BWEIP) in the Utah Department of Health has hired a Compliance and Monitoring Specialists, developed compliance and quality assessment forms, and has completed thirteen onsite visits of sixteen Early Intervention Programs statewide. Baby Watch anticipates conducting annual onsite compliance and monitoring visits of each program, statewide, beginning in FY 2019. Following the audit visits, BWEIP provides each Early Intervention Program with a comprehensive report including recommendations for improvement, as well as a quality assurance plan that each program is required to complete.
 - i. The assessment methodology includes the following four components:
 1. Qualitative measurements,
 2. Parent and professional interviews,
 3. Reviews for validity, reliability, and timeliness of data submitted, and
 4. Administrative practices that monitor credentialing, training, and competent coaching.
18. Completed “We recommend that the Legislature consider statutory changes to require background checks for Baby Watch Early Intervention providers.” (Chapter 4, Recommendation #3)
- a. The Department of Health determined that it could include background check requirements via contract provisions and legislation is unnecessary. The Department of Health has included language concerning background checks as a contract requirement beginning in FY 2019.
19. In-progress “We recommend that the Division of Family Health and Preparedness develop a strategic plan and align this plan with updated Department and Bureau-level strategic plans.” (Chapter 5, Recommendation #1)
- a. The department has organized four subcommittees to provide suggestions for priorities and strategic plans.
20. Completed “We recommend that the Division of Family Health and Preparedness ensure all bureau strategic plans include meaningful and measurable outcome metrics.” (Chapter 5, Recommendation #2)
- a. The department met with all programs and reports that each has meaningful performance measures. For more information on the survey instrument used, please see <https://le.utah.gov/interim/2018/pdf/00003913.pdf>.

21. In-progress “We recommend that the Division of Family Health and Preparedness implement ongoing performance evaluations of all programs to ensure outcomes are achieved.” (Chapter 5, Recommendation #3)

- a. The department reports that each program has performance measures and continuous quality improvement measures.

The Department of Health also provided two additional resources discussing its compliance with recommendations from the legislative audit, see <https://le.utah.gov/interim/2018/pdf/00003160.pdf> and <https://le.utah.gov/interim/2018/pdf/00003162.pdf>.