

Maryland Department of Health - Developmental Disabilities Administration - Status Report as of December 31, 2023

Maryland Department of Health (MDH) Office of Internal Controls, Audit Compliance & Information Security (IAC/S)			
DDA Contact Info ¹	DDA 2022 Audit Findings (review period May 1, 2018 through May 31, 2021)	Expected Completion Date	IAC/S Comments
	<p>Finding 1 DDA did not ensure that CCS agencies properly completed annual consumer service plans and conducted quarterly face-to-face monitoring visits.</p>	March 31, 2024	<p>In progress</p> <ul style="list-style-type: none"> *Quality Improvement Organization (QIO) Contract effective July 2022 *QIO CCS agencies as of April 2023 continue to complete annual consumer service plans and conduct quarterly face-to-face monitoring visits *DDA has developed the DDA QIO Contract Monitor Guidance (issued March 2023, revised July 2023, effective July 2023) and Quarterly Targeted Case Management (TCM) Reviews Standard Operating Procedure Guidance (issued January 2023, effective February 2023) The QIO reviews will ensure CCS agencies complete all quarterly monitoring forms as required for each consumer. *IAC/S noted SLA previously scheduled to be implemented July 2023, September 2023, October 2023 and December 2023 DDA will not execute SLAs with CCS agencies *IAC/S suggests modifying existing provider agreements *CCS agencies disagree with metrics outlined in the SLAs, specifically the 80% compliance rate *IAC/S reviewed February 2023 - June 2023 monthly TCM review reports related to the lookback period *The contractor conducted a review of the lookback period (July 1, 2021 - December 31, 2022) and issued a report to DDA management with findings July 2023 *Contract Monitor (CM) validates the QIO reviews on a monthly basis by randomly selecting 10% from the monthly QIO data reports. CM reviews the documentation for each randomly selected participant to support met and unmet findings. CM signs the QIO tracker as the preparer and submit to the Director of Operations to review and sign as a secondary reviewer *Per DDA, the revised Quarterly Targeted Case Management (TCM) Reviews Standard Operating Procedure Guidance which includes DDA corrective action plan process will be shared with CCS agencies and providers week of October 30, 2023 *The contractor will then start requesting CAPs as a result of the July 2023 final findings *The QIO is expected to request corrective actions by December 31, 2023 *Corrective actions were requested week of 1/8/24 Note: IAC/S has not reviewed documentation supporting these actions *As of July 1, 2023, the contractor started performing monthly targeted case management reviews for CY23 *Per CM, the contractor completed FY23 Q3 TCM reviews 9/30/23 and FY23 Q4 TCM reviews will be complete by 12/30/23 *October 26, 2023, IAC/S requested an update regarding the contractor's FY23Q3 final findings report, per CM, the final findings report is expected to be issued week of 10/30/23 *IAC/S noted two CCS agencies are no longer active DDA received results of FY23 Q3 and FY23 Q4 TCM quarterly reviews November 2023 <p>Remaining Tasks DDA needs to modify existing provider agreements with the CCS agencies and ensure corrective actions are reviewed. Although working with the QIO and a plan has been established, DDA has not completed a full cycle to determine if the process is effective. Once DDA confirms corrective actions have been received and reviewed, IAC/S will select a sample of transactions to test.</p>
	<p>We recommend that DDA establish a process to ensure that CCS agencies provide all critical services to consumers in accordance with State regulations. Specifically, DDA should ensure that the CCS agencies complete</p> <p>a. consumers' annual service plans timely,</p>		<p>In progress</p> <ul style="list-style-type: none"> *As of January 2024, the QIO has reviewed CY23 service plans through June 2023
	<p>b. all quarterly monitoring forms as required for each consumer (repeat), and</p>		<p>In progress</p> <ul style="list-style-type: none"> *As of July 2024, the QIO has reviewed CY23 quarterly monitoring forms through June 2023
	<p>c. quarterly monitoring forms which contain detailed comments regarding consumers' progress on achieving personal goals and outcomes (repeat).</p>		<p>In progress</p>
	<p>Finding 2 DDA did not have an adequate process to ensure the amounts invoiced by CCS agencies properly reflected consumer services provided and did not take appropriate action when a significant number of improper or unsupported payments were identified.</p>	March 31, 2024	<p>See 1b</p>
	<p>We recommend that DDA</p> <p>a. establish a comprehensive review process to ensure that CCS agency billings are proper (repeat);</p>		<p>In progress</p> <ul style="list-style-type: none"> *Quality Improvement Organization (QIO) Contract effective July 2022 *The contractor continues to assist DDA with ensuring CCS agency billings are proper *DDA has developed the DDA QIO Contract Monitor Guidance (issued March 2023, revised July 2023, effective July 2023) and Quarterly Targeted Case Management (TCM) Reviews Standard Operating Procedure Guidance (issued January 2023, effective February 2023) The QIO reviews include a review of billing claims to ensure they are billable activities and supported by activity notes recorded in DDA system. Additionally, the review is comprehensive to assess the amounts billed by the CCS agencies for or delivery of all the required services (such as annual plans and quarterly monitoring visits) *IAC/S noted SLA previously scheduled to be implemented July 2023, September 2023, October 2023 and December 2023 DDA will not execute SLAs with CCS agencies *IAC/S suggests modifying existing provider agreements *CCS agencies disagree with metrics outlined in the SLAs, specifically the 80% compliance rate *IAC/S reviewed February 2023 - June 2023 monthly TCM review reports related to the lookback period *The contractor conducted a review of the lookback period (July 1, 2021 - December 31, 2022) and issued a report to DDA management with findings July 2023 *Contract Monitor (CM) validates the QIO reviews on a monthly basis by randomly selecting 10% from the monthly QIO data reports. CM reviews the documentation for each randomly selected participant to support met and unmet findings. CM signs the QIO tracker as the preparer and submit to the Director of Operations to review and sign as a secondary reviewer *Per DDA, the revised Quarterly Targeted Case Management (TCM) Reviews Standard Operating Procedure Guidance which includes DDA corrective action plan process will be shared with CCS agencies and providers week of October 30, 2023 *The contractor will then start requesting CAPs as a result of the July 2023 final findings *The QIO is expected to request corrective actions by December 31, 2023 *Corrective actions were requested week of 1/8/24 Note: IAC/S has not reviewed documentation supporting these actions *As of July 1, 2023, the contractor started performing monthly targeted case management reviews for CY23 *October 12, 2023, per CM, the contractor completed FY23 Q3 TCM reviews 9/30/23 and FY23 Q4 TCM reviews will be complete by 12/30/23 *October 26, 2023, IAC/S requested an update regarding the contractor's FY23Q3 final findings report, per CM, the final findings report is expected to be issued week of 10/30/23 DDA received results of FY23 Q3 and FY23 Q4 TCM quarterly reviews November 2023 <p>Remaining Tasks DDA needs to modify existing provider agreements with the CCS agencies and ensure corrective actions are reviewed. Although working with the QIO and a plan has been established, DDA has not completed a full cycle to determine if the process is effective. Once DDA confirms corrective actions have been received and reviewed, IAC/S will select a sample of transactions to test.</p>
	<p>b. consider the use of statistical sampling for selecting claims to review or expand its review when questionable billings are identified; and</p>	Complete	<ul style="list-style-type: none"> *The contractor utilizes a software program to determine the sample size for selecting claims to review
	<p>c. pursue recovery of any improper or unsupported payments, including those noted above.</p>		<p>In progress</p> <ul style="list-style-type: none"> *Overlaps with 2a *August 2023 - Per OLA, DDA is expected to at least pursue recovery of the \$6,718 mentioned in the analysis (or have sufficient justification for why recovery was not pursued) *According to DDA, notices will be sent to 12 providers demanding payment, date to be determined DDA leadership will discuss prior to pursuing recovery of \$6,718. "DDA believes providers will be particularly sensitive to this recruitment." *On September 28, 2023, DDA confirmed they will pursue any improper or unsupported payments identified by the contractor including exceptions related to the lookback period July 1, 2021 - December 31, 2022 noted in the TCM Billing Review Recoupment Report totaling \$1,876.29 (six providers) *IAC/S requested documentation to support notices sent to providers and the final Recoupment SOP approved by management on October 25, 2023 DDA's leadership will discuss prior to pursuing recovery of \$1,876.29 <p>Remaining Tasks DDA needs to execute service level agreements with the CCS agencies and ensure corrective actions are requested based on findings identified by the QIO. DDA anticipates CCS agencies will sign SLAs by December 31, 2023. Although working with the QIO and a plan has been established, DDA has not completed a full cycle to determine if the process is effective. Once DDA confirms corrective actions have been requested with completion dates, IAC/S will select a sample of transactions to test.</p>
	<p>Finding 3 DDA did not conduct required audits of providers to ensure payments were for services actually delivered and included in the consumers' approved plans.</p>	March 31, 2024	

¹Contact information in this column has been removed.

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<p>We recommend that DDA a. conduct audits of providers to ensure payments to providers were consistent with actual services delivered and in accordance with the consumers' approved plans (repeat); and</p>		<p>In progress</p> <ul style="list-style-type: none"> •Quality Improvement Organization (QIO) Contract effective July 2022 •The contractor continues to assist DDA with conducting audits of providers to ensure payments to providers were consistent with actual services delivered and in accordance with the consumer's approved plans •DDA has developed the DDA QIO Contract Monitor Guidance (issued March 2023, revised July 2023, effective July 2023) and DDA Utilization Review Standard Operating Procedure Guidance (issued March 2023, effective April 2023) The QIO reviews will ensure payments to providers were consistent with actual services delivered and in accordance with the consumers' approved plans. •Contract Monitor (CM) validates the QIO reviews on a monthly basis by randomly selecting 10% from the monthly QIO data reports. CM reviews the documentation for each randomly selected participant to support met and unmet findings. CM signs the QIO tracker as the preparer and submit to the Director of Operations to review and sign as a secondary reviewer •IAC/S reviewed April 2023 - June 2023 monthly utilization review reports related to the lookback period •The contractor conducted a review of the lookback period (July 1, 2021 - December 31, 2022) and issued a report to DDA management with findings July 2023 •As of July 1, 2023, the contractor started performing monthly utilization reviews for the CY23 •October 12, 2023, per CM, the contractor completed FY23 Q3 utilization reviews 9/30/23, the final findings report is expected to be issued week of October 30, 2023 •October 12, 2023, per CM, FY23 Q4 TCM reviews will be complete by 12/30/23 •DDA received results of FY23 Q3 and FY23 Q4 1R quarterly reviews November 2023 •The QIO was expected to request corrective actions by December 31, 2023 •The contractor identified \$14K that should be recovered, per email from CM August 18, 2023, DDA leadership team was scheduled to review the recoupment report August 23, 2023 •October 23, 2023, per CM, the contractor has revised the recoupment report due to providers submitting documentation to remediate the unmet findings, the current total is \$6500 •DDA Director of Finance stated payments have been received for 10 of 16 providers •Note: IAC/S has only received documentation to support one payment •October 20, 2023, IAC/S reviewed documentation to support DDA pursuing recovery of payment for 1 out of 16 providers <p>Remaining Tasks</p> <ul style="list-style-type: none"> •Once DDA confirms approach for collecting unsupported payments, IAC/S will select a sample of transactions to test
<p>b. take appropriate corrective action to recover related unsupported payments identified, including the aforementioned \$13,300.</p>		<p>In progress</p> <ul style="list-style-type: none"> •Overlaps with 3a •\$13,300 - Unsupported payments •Per DDA, the contractor performed a review of four participant's documentation and determined DDA should pursue recovery of payments •DDA sent notices to four providers demanding payment and has received payment from one provider (\$161.42) •IAC/S received the final Recoupment SOP and documentation to support payments from two providers (\$1,761.87 and \$8,188.50). Two providers (\$455.28 and \$2,738.96) submitted additional documentation for review. •The contractor deemed documentation submitted by two providers sufficient •IAC/S requested spreadsheet used by Director of Finance to track appeal results and requested a copy of communication sent to providers informing them of DDA's results. •IAC/S requested the final Recoupment SOP approved by management on October 25, 2023 <p>Remaining Tasks</p> <ul style="list-style-type: none"> •Once corrective action plans have been created with projected target dates, then IAC/S will select a sample of transactions to test
<p>Finding 4 DDA did not verify the propriety of \$6.1 million in enhanced payments for consumers who were isolated due to COVID-19.</p>	<p>October 31, 2023</p>	
<p>We recommend that DDA take appropriate steps to verify the propriety of COVID-19 isolation payments and pursue recovery of payments made for consumers without evidence of a positive COVID-19 test.</p>		<p>In progress</p> <ul style="list-style-type: none"> •IAC/S tested 40 COVID isolation claims in February 2023, 10 exceptions noted, no documentation to support isolation claims enhanced payments or an attempt to pursue recovery of improper payments •DDA gathered a list of providers that received enhanced payments for consumers who were isolated due to COVID-19 and sent attestation emails for providers to attest usage of isolation day claims per guidance •As of October 27, 2023, 7 out of 108 providers have not submitted attestations •DDA has not sent notices demanding payment to providers that have not submitted attestation forms •\$91,841.81 was submitted for reversal of claims in PCIS2 for 7 providers •IAC/S requested additional documentation supporting these actions •Excerpt from email "The DDA will be auditing a sample of your use of the Isolation Days and has listed examples of the documentation that will be required in the attached attestation form. This audit will be taking place no later than May 31, 2023." (However, has not taken place) •DDA expects to complete an audit of all isolation claims subsequent to notifying providers in the administration's newsletter November 2, 2023 •According to DDA, 94% of documentation has been submitted to support use of Isolation Day reimbursement •IAC/S selected a sample and will test documentation prior to February 29, 2024 <p>Remaining Tasks</p> <ul style="list-style-type: none"> •IAC/S will retest to determine if documentation provided is deemed acceptable for use of Isolation Day reimbursement:
<p>Finding 5 DDA did not use available output reports to verify the propriety of critical adjustments that were processed in PCIS2.</p>	<p>October 31, 2023</p>	
<p>We recommend that DDA use available output reports to ensure that all critical adjustments in PCIS2 are subject to selection for independent review.</p>		<p>In progress</p> <ul style="list-style-type: none"> •IAC/S tested 30 transactions in March 2023 and 34 transactions in September 2023 •DDA is currently researching 5 critical adjustments noted during IAC/S testing that are missing supporting documentation in the ticketing system •DDA will provide revised standard operating procedures and the critical adjustment quarterly review spreadsheet with preparer and reviewer signatures, date to be determined •IAC/S requested standard operating procedures approved by management •DDA shared the FY23Q4 critical adjustment quarterly review spreadsheet with preparer and reviewer signatures •IAC/S noted an improvement in DDAs second review of adjustments •IAC/S testing noted exceptions, explanation provided by DDA
<p>Finding 6 FMS services contracts procured in 2006 were not comprehensive, properly approved, and adequately monitored. As a result, DDA did not recover unspent funds totaling \$3.2 million and obtain federal reimbursements totaling \$8.8 million.</p>	<p>March 31, 2024</p>	<p>•New RFP issued for FMCS services, three vendors (one previous incumbent) effective July 2022</p>
<p>We recommend that DDA a. ensure contracts are executed that include all relevant contract provisions (including the contract term and authorized administrative fees) (repeat);</p>	<p>Complete</p>	<p>•DDA procured the services of three (including one previous incumbent) Financial Management and Counseling Services (FMCS) vendors during CY 2022. The contracts included the contract terms and administrative fees.</p> <ul style="list-style-type: none"> •No formal notice of approval received from Department of General Services (DGS) •OCMP provided revised DGS Office of State Procurement Action Agenda stating Board of Public Works Action approved without discussion •Received contracts and signed BPOs for vendors, administrative fees identified on page 3 of Attachment M

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<p>b. monitor vendor activity and compliance to ensure that all key requirements and terms are complied with, including site visits and audits, and timely return of unspent funds, and that FMS vendor payments are proper and supported (repeat);</p>		<p>In progress</p> <ul style="list-style-type: none"> •October 3, 2023, per DDA, a provider, stopped servicing DDA consumers effective June 2023 •September 19, 2023, per DDA, a provider will begin servicing consumers again December 2023 •IAC/S is unable to determine if DDA is consistently monitoring FMCS vendors <p>•DDA created procedures for reviewing FMCS vendors performance and quality assurance reports, developed a dashboard, created a monthly report card, hold weekly meetings with vendors</p> <p>RFP Reporting Requirements</p> <ul style="list-style-type: none"> •According to DDA, the current quality assurance reports are not capturing the necessary data for monitoring FMCS vendors and participants •DDA is in the process of analyzing the performance and quality assurance reports to identify fields required for reporting purposes •IAC/S reviewed written procedures for preparing FMCS monthly report cards •IAC/S requested current monthly report cards •Report cards should track any issues or concerns until resolved •IAC/S made suggestions and requested final SOP once approved by management <p>•DDA has analyzed the reports and finalized fields required for reporting purposes. DDA expects December monthly reports to provide sufficient data to accurately measure quality of service provided by the FMCS vendors.</p> <ul style="list-style-type: none"> •IAC/S received final FMCS Report Card SOP in November 2023 •DDA will share December FMCS monthly report cards with IAC/S mid-January 2024 <p>FMCS vendors monthly invoices</p> <ul style="list-style-type: none"> •IAC/S evaluated written procedures for reviewing FMCS vendors monthly invoices and made suggestions, requested final SOP once approved by management •IAC/S requested documentation to determine if FMCS vendor August 2023 payments are proper and supported •IAC/S received final FMCS Invoice Review Process SOP in November 2023 <p>•DDA will share electronic reconciliations for June 2023 - October 2023 and manual reconciliations for August 2023 (vendor), September - October 2023 (vendors) mid-January 2024</p> <p>•DDA provided a copy of the December 2022 annual FMCS vendors site visits summary that addresses training space and accessibility</p> <p>•QIO responsibility: Per DDA, qualified provider reviews began July 2023, site visits related to self-directed reviews (billing and service delivery) are scheduled to begin October 2023</p> <ul style="list-style-type: none"> •October 6, 2023, per CM with respect to self direction services, "The department is reviewing when this review will be launched on a month to month basis. Right now, the review for self-direction is on a pause." •October 26, 2023, per CM, the contractor's delay in performing self direction reviews is due to payment issues and logistics with guidance •October 12, 2023, per CM, the contractor completed FY23 Q3 qualified provider reviews 9/30/23 •October 26, 2023, IAC/S requested an update regarding the contractor's FY23Q3 final findings report, per CM, the final findings report is expected to be issued week of 10/30/23 <p>•According to the Contract Monitor, the process and communications with the QIO related to self-direction reviews started December 2023. The utilization reviews were expected to begin January 2024 and the reviews will cover the period starting from July 2023. DDA needs to ensure compliance with the Community Pathways Waivers with respect to site visits. Note: Per the HQ Chief Operating Officer, all QIO reviews start as remote audits; based on the outcome of the remote audits, for example if requested documentation is not submitted, or unmet findings hit a certain threshold, then onsite reviews are triggered. This would also include interviewing participants as warranted.</p> <p>•IAC/S received the vendor's FY22 audit report, have not received DDA procedures to address documented reviews of annual audited statements, still waiting on an update</p> <ul style="list-style-type: none"> •September 27, 2023, IAC/S requested written procedures for documenting reviews of FMCS vendor's annual audited statements and the FMCS vendors FY23 annual audited financial statement •October 6, 2023, per Program Manager, "The FMCS audited financials are pending and not due at this time." •FY23 annual audited financial statements are due within four (4) months of the close of the Contractor's fiscal year <p>Remaining Tasks</p> <ul style="list-style-type: none"> •Once additional documentation is received to address this recommendation, IAC/S will select a sample of transactions to test
<p>c. ensure FMS vendors record all provider payments into MMIS II timely (repeat); and</p>		<p>DDA developed a spreadsheet utilized to track when the administration contacts the FMS vendors related to billing, coding, claims submission guidance, etc.</p> <ul style="list-style-type: none"> •No process in place for the period July 2021 - December 2022 •Per DDA, new contract stipulates Fee-for-service billing, advancement of funds ended effective January 2023 <p>Remaining tasks</p> <p>DDA needs to develop a process to ensure FMCS vendors are processing payments timely as well as a process for reviewing and tracking denied claims prior to January 2023 until resolved. Contracts do not specify a timeline for entering provider payments into MMIS II or sharing denied claims activity with DDA.</p>
<p>d. take appropriate corrective action to recover unspent funds and obtain available federal reimbursement for any outstanding claims (including the aforementioned \$8.8 million), and consider recovering any lost investment income resulting from untimely vendor actions (repeat).</p>		<p>In progress</p> <p>•Per DDA, 8.8 million (FY19 & FY20) is deemed uncollectible</p> <p>DDA received one of vendor FY21 reconciliation and is researching the other reconciliations.</p> <p>According to DDA, federal reimbursements are obtained by the FMS vendors submitting claims to MMIS. FMS vendors are responsible for submitting/resubmitting claims via MMIS.</p> <p>Per DDA, they have investigated the account and have identified \$1.9 million (FY19 & FY20) as the current balance of potential claims that are potentially uncollectible. MDH plans to disclose and discuss the remaining balance with DBM and GAD to determine next steps.</p> <p>The decrease in the amount from \$8.8 million is due to (1) Support Broker Fees that were not a waiver service in FY19 and not eligible for federal reimbursement, (2) administrative claims that would not be part of the Medicaid claim process, (3) individuals deemed not eligible for Waiver service and would not be eligible for federal reimbursement, and (4) related federal reimbursements for claims that were submitted for FFP under old procedure codes.</p> <p>Note: IAC/S has not reviewed documentation supporting these actions.</p> <p>Based on DDA's review of FY19 and FY20 claims submitted, there was no lost investment income resulting from untimely vendor actions.</p> <p>DDA developed a spreadsheet utilized to track when the administration contacts the FMS vendors related to billing, coding, claims submission guidance, etc.</p> <p>According to DDA, federal reimbursements are obtained by the FMS submitting claims to MMIS</p> <p>FMS Vendors are responsible for submitting/resubmitting claims via MMIS</p> <p>IAC/S has determined an adequate process is not in place for reviewing and tracking denied claims (FY21-FY22) until resolved</p> <p>IAC/S reviewed documentation to support tracking of paid claims</p> <p>Review of reconciliations to determine if unspent funds are due back to DDA</p> <p>As of October 2023, The vendor FY21 reconciliation has been received and currently under review. DDA is researching a vendor's FY22 reconciliations</p> <p>According to DDA, it appears ORG was involved with a vendor's FY21 FY22 reconciliations</p> <p>Remaining tasks</p> <p>DDA needs to review FMS vendor's FY21-FY22 reconciliations to confirm if unspent funds are due back to DDA and determine if there was lost investment income.</p> <p>DDA needs to implement a process for reviewing and tracking FY21-FY22 denied claims until resolved.</p> <ul style="list-style-type: none"> •Once IAC/S reviews a process to address this recommendation, a sample of transactions will be selected to test
<p>Finding 7 DDA did not forward approximately \$1.3 million in unclaimed refunds to the Comptroller of Maryland, as required.</p>	<p>October 31, 2023</p>	

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	<p>We recommend that DDA forward funds totaling approximately \$1.3 million pertaining to unclaimed refunds of improper CTC collections to the Comptroller of Maryland, as required.</p>	<p>Complete</p>	<p>*Journal entry for \$1.7M successfully approved and processed in FMIS on 11/30/23 *Comptroller's Office will not send DDA confirmation of funds received</p> <p>*DDA identified a total of \$1.7 million pertaining to unclaimed refunds of improper contribution to care collections</p> <p>*Per DDA, May 14, 2021 is the date that the last official comms/notice went out to the owners of the unclaimed property in an attempt to reach them</p> <p>*Per DDA, September 14, 2021, a Deficiency Request for the \$1.7 million due to the Comptroller's Office has been submitted for review</p> <p>*Per DDA, General Accounting is unable to process the journal entry to have funds forwarded to the Comptroller due to repeatedly entering the incorrect transaction code, DDA is researching</p> <p>*IAC/S is waiting to hear back regarding the results of DDAs request</p>
	<p>Finding 8 Redacted cybersecurity-related finding.</p>		