

# PERFORMANCE AUDIT REPORT

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## Excentia Human Services

Costs reimbursed by the  
Pennsylvania Department of Human  
Services

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December 2020



Commonwealth of Pennsylvania  
Department of the Auditor General

Eugene A. DePasquale • Auditor General

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EUGENE A. DePASQUALE  
AUDITOR GENERAL

December 3, 2020

Mr. Chris Shaak  
Chief Executive Officer  
Excentia Human Services  
1810 Rohrerstown Road  
Lancaster, PA 17601

Dear Mr. Shaak:

This report contains the results of the Department of the Auditor General's performance audit of Excentia Human Services (Excentia) with regard to costs that were reimbursed by the Pennsylvania Department of Human Services (DHS). This audit was conducted under the authority of Sections 402 and 403 of The Fiscal Code (Code), 72 P.S. §§ 402 and 403, and in accordance with the 2019-2020 Budget Implementation provision of Article XVII-J, Subarticle B, Section 1715-J of the Code, 72 P.S. § 1715-J. The audit was not conducted, nor required to be conducted, in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

The performance audit covered the period July 1, 2017 through June 30, 2018, with updates through the report date. Our audit objective was to determine whether services for which the costs were reimbursed by DHS were rendered. We planned and performed audit procedures to obtain sufficient, appropriate evidence to the extent necessary to satisfy the audit objective. We believe that the evidence obtained provides a reasonable basis to support our results, finding, and conclusions.

We selected and reviewed 60 claims that were reimbursed by DHS. Of these 60 claims, we found the following exceptions with eight claims Excentia submitted to DHS: (1) two claims, totaling \$204, had incorrect service times which resulted in a \$29 underpayment from DHS; (2) one claim had an incorrect service code that had no impact on the \$126 reimbursement payment; and (3) five claims, totaling \$1,679, lacked certain required daily service documentation. Despite the exceptions noted, we were able to review other documents that allowed us to conclude that services were rendered for each of the 60 claims reviewed. We identified weaknesses within Excentia's system of management controls that allowed these errors to go undetected. This audit report presents one finding and offers five recommendations for Excentia to strengthen its management controls.

Mr. Chris Shaak  
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In closing, I want to thank Excentia for its cooperation and assistance during this audit. Excentia management agrees with our finding and recommendations and its response is included in this audit report. We may follow up at an appropriate time to determine to what extent all recommendations have been implemented.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eugene A. DePasquale  
Auditor General

**A Performance Audit**

**Excentia Human Services**

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## A Performance Audit

### Excentia Human Services

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#### Background

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Excentia Human Services (Excentia), a nonprofit organization, has been serving Lancaster, Pennsylvania, residents with Intellectual and Developmental Disabilities (IDD) for more than 50 years. The organization officially formed in 1986 as the PAI Corporation from a larger multi-county organization. Its central focus was to provide residential and day programming for adults with various IDD. In 2012, the PAI Corporation rebranded its name as Excentia and acquired the S. June Smith Center in Lancaster a year later, which was founded in 1965 to provide services for the area's children with IDD.<sup>1</sup> Excentia added *Human Services* to its name in 2019 to give the community a better understanding of who they are and the services they provide.<sup>2</sup>

Excentia's mission states:

*Provide services throughout the lifespan for all people to have equal value and opportunities to lead productive and fulfilling lives.*<sup>3</sup>

#### Programs

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Excentia provides the IDD community with a range of services for all age groups. Excentia provides various programs for children who experience developmental disabilities, including infant and toddler programs and a preschool program. Excentia's programs for adults include Home and Community Supports, Community Participation Supports, Companion Services, Behavioral Support Services, as well as other services.

The Pennsylvania Department of Human Services (DHS) authorizes services for Medical Assistance (MA)-enrolled individuals according to Individual Support Plans (ISP).<sup>4</sup> Excentia receives reimbursement at DHS-established rates for the services authorized on the individuals' ISP. As explained in the *Audit Procedures and Results* section of this report, our audit focused on MA reimbursements related to the adult programs described below.<sup>5</sup>

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<sup>1</sup> Please note that the legal corporate name of the organization remains PAI Corporation.

<sup>2</sup> <https://excentiahumanservices.org/about/about-us/> (accessed July 7, 2020).

<sup>3</sup> Ibid.

<sup>4</sup> The ISP is developed for individuals with developmental disabilities to document their personal preferences, dreams and wishes, medical history, and other information meant to be used by everyone involved in the individuals' network of support so services can be structured to meet the individuals' needs based on their own choices. The ISP is updated annually or sooner, if the individuals' circumstances/preferences change.

<sup>5</sup> Information on all other Excentia programs and services may be obtained directly from Excentia's website (<https://excentiahumanservices.org>).

## **A Performance Audit**

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#### Home and Community Supports

The Home and Community Supports program helps to integrate people into the community and teaches them how to live as independently as possible. Individuals receive support in community locations of their choosing while participating with people who do not have disabilities.

Commonly learned skills include decision-making, budgeting, healthy life decisions, home skills, self-advocacy, and communication and social skills. These skills are essential to the overall success for someone seeking competitive employment.<sup>6</sup>

#### Community Participation Supports

The Community Participation Supports program provides opportunities for people to be part of their community while providing opportunities for site-based activities. The program encourages social readiness and skill development to increase independence and confidence. Both community-based and site-based supports teach individuals to self-advocate and take responsibility for oneself while being provided choice and control.<sup>7</sup>

#### Companion Services

Companion Services are provided to participants age 18 and older who live in private homes for the limited purposes of providing supervision or assistance that is designed to ensure the participant's health, safety, and welfare or to perform activities of daily living for the participant. These services are intended to assist the individual's participation in meaningful home and community life activities. Services may be provided in home and community settings, including the participant's work place.<sup>8</sup>

#### Behavioral Support Services

The Behavioral Support Services Program provides assistance to adults with an intellectual disability, a mental health diagnosis, or a genetic disorder. The program provides personalized services that address an individual's behavioral, social, and emotional challenges such as impulsivity, aggression, elopement, obsessive-repetitive behaviors, and self-harm. After an assessment to determine the individual's needs and strengths, the appropriate services become part of a treatment plan with interventions.<sup>9</sup>

## **Funding**

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Excentia receives most of its program funding through the Center for Medicare & Medicaid Services within the U.S. Department of Health and Human Services and DHS' Office of Developmental Programs. Through the Medicaid Home and Community-Based Services (HCBS)

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<sup>6</sup> <https://excentiahumanservices.org/services/adult/home-and-community-supports/> (accessed July 14, 2020).

<sup>7</sup> <https://excentiahumanservices.org/services/adult/community-participation-supports/> (accessed July 14, 2020).

<sup>8</sup> [https://www.dhs.pa.gov/Services/Disabilities-Aging/Documents/Alternatives\\_to\\_Nursing%20Homes/PFDS%20Waiver%20Amendment%20July%201%202017.pdf](https://www.dhs.pa.gov/Services/Disabilities-Aging/Documents/Alternatives_to_Nursing%20Homes/PFDS%20Waiver%20Amendment%20July%201%202017.pdf) page 152 (accessed July 2, 2020).

<sup>9</sup> <https://excentiahumanservices.org/services/adult/behavioral-support/> (accessed July 14, 2020).

## A Performance Audit

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waiver program authorized by the federal Social Security Act, a state may offer a multitude of home and community-based services that allow MA recipients to remain in the community and avoid becoming institutionalized.<sup>10</sup> The state may design its waiver program to meet the needs of its targeted population.<sup>11</sup> Excentia participates in Pennsylvania’s waiver program and submits claims to the commonwealth on a fee-for-service basis through DHS’ PROMISe™ system according to federal and state regulations.<sup>12</sup> For the fiscal year ended June 30, 2018, Excentia received approximately \$14.8 million for services provided to MA-enrolled individuals through the HCBS waiver program.

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<sup>10</sup> Social Security Act of 1935, former 42 U.S.C. § 1915(c) (relating to “Waiver respecting medical assistance requirement in State plan...”)(amended 1983), which was transferred to and re-codified at 42 U.S.C. § 1396n(c).

<sup>11</sup> [https://www.dhs.pa.gov/Services/Disabilities-Aging/Documents/Alternatives\\_to\\_Nursing%20Homes/PFDS%20Waiver%20Amendment%20July%201%202017.pdf](https://www.dhs.pa.gov/Services/Disabilities-Aging/Documents/Alternatives_to_Nursing%20Homes/PFDS%20Waiver%20Amendment%20July%201%202017.pdf) (accessed January 23, 2020).

<sup>12</sup> The Provider Reimbursement and Operations Management Information System (PROMISe™) is DHS’ claims processing and management information system that incorporates the claims processing and information activities of the following DHS program areas: (1) Office of Medical Assistance Programs; (2) Office of Developmental Programs; (3) Office of Mental Health and Substance Abuse Services; (4) Office of Long-Term Living; (5) Special Pharmaceutical Benefits Program; and (6) Healthy Beginnings Plus.



## A Performance Audit

### Excentia Human Services

#### **Audit Procedures and Results – Determine whether services for which the costs were reimbursed by the Pennsylvania Department of Human Services were rendered.**

Excentia Human Services (Excentia) is a registered Medical Assistance (MA) services provider under the jurisdiction of the Pennsylvania Department of Human Services (DHS) serving individuals with Intellectual and Developmental Disabilities (IDD) throughout Lancaster County, Pennsylvania. In order to perform our testing, we obtained a file from DHS listing the individual reimbursement claims approved during the fiscal year ended June 30, 2018. The table below shows that Excentia received nearly 99 percent of its MA funding from DHS for the Home and Community-Based Services Intellectual Disabilities (HCBS-ID) Waiver programs for the fiscal year ended June 30, 2018.<sup>13</sup>

<b>Excentia HCBS-ID Funds by Program</b> (For the Fiscal Year Ended June 30, 2018)		
<b>Program</b>	<b>Amount</b>	<b>Percent of Total</b>
HCBS-ID Waiver programs <sup>a/</sup> (All locations except Rohrerstown Road) <sup>b/</sup>	\$10,888,138	73.4%
HCBS-ID Waiver programs <sup>a/</sup> (Rohrerstown Road location ONLY) <sup>c/</sup>	\$ 3,790,967	25.5%
All Others <sup>d/</sup>	\$ 158,422	1.1%
<b>Total</b>	<b>\$14,837,527</b>	<b>100.0%</b>

<sup>a/</sup> HCBS-ID Waiver programs provide an array of services to MA-enrolled individuals with ID to live in their own homes and communities.  
<sup>b/</sup> Service locations include more than 30 residential homes along with Excentia’s Prince Street office.  
<sup>c/</sup> Refers to Excentia service location selected for this audit.  
<sup>d/</sup> Adult Autism Waiver program for individuals age 21 or older with autism spectrum disorder and Base Funding, which is a small amount of state funds that DHS allocates to county mental health services offices that can be used at the counties’ discretion.  
*Source: Produced by Department of the Auditor General staff from information provided by DHS.*

Of the HCBS-ID Waiver program reimbursements, we limited our population to all DHS-approved reimbursements for services provided through Excentia’s Home and Community Supports, Community Participation Supports, Companion Services, and Behavioral Support Services programs provided through its Rohrerstown Road location in Lancaster, which totaled nearly \$3.8 million.<sup>14</sup>

<sup>13</sup> Waivers under this program include the consolidated, person/family directed support, and community living waivers.

<sup>14</sup> To satisfy our audit requirements pursuant to The Fiscal Code, 72 P.S. § 1715-J (2019-2020 Budget Implementation provision), we selected Excentia and other MA providers from the DHS listing of active MA providers.

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### Excentia Human Services

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In order to determine whether the services were rendered for specific claims submitted by Excentia and approved by DHS for reimbursement during the fiscal year ended June 30, 2018, we developed audit procedures based on our review of applicable laws, regulations, and DHS policies, as well as Excentia policies, inquiries of management, and an evaluation of management controls. Using the DHS data file, we identified the service associated with each claim.<sup>15</sup> To ensure audit coverage over each type of service provided, we randomly selected a total of 60 claims for review, prorated over each type of service.<sup>16</sup> Additionally, we ensured that the 60 claims were for services associated with different recipients. The 60 claims represented reimbursements totaling \$9,994.

Based on the results of our audit procedures for the 60 selected claims, we found that Excentia submitted the following deficient claims: *two claims*, totaling \$204, with incorrect service times which resulted in a \$29 underpayment from DHS; *one claim* with an incorrect service code that had no impact on the \$126 reimbursement payment; and *five other claims*, totaling \$1,679, that lacked certain required daily service documentation. Despite the exceptions noted, we were able to review other documents that allowed us to reasonably determine that services were rendered for each claim reviewed. We identified weaknesses within Excentia's system of management controls that allowed these errors to go undetected. The details of these exceptions and control weaknesses are addressed in the finding within this report.

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<sup>15</sup> See service descriptions in the *Background* section of this report.

<sup>16</sup> Each claim includes a service code that identifies the service provided. The claims within our audit population included five different services that represented between .5% and 85% of the total number of claims. We prorated our sample of 60 claims using these percentages to ensure coverage of every service code. Some services have been assigned multiple service codes to indicate the staff to individual ratio required, or other relevant information, in addition to the type of service.

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### Excentia Human Services

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#### **Finding – Weak management controls permitted Excentia to submit inaccurate claims to the Pennsylvania Department of Human Services and fail to comply with records retention requirements.**

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Excentia Human Services (Excentia) is registered with the Pennsylvania Department of Human Services (DHS) as a Medical Assistance (MA) provider. DHS reimburses MA providers for eligible services provided to MA-enrolled individuals. Excentia submits claims for reimbursement to DHS for services rendered. Our audit focused on DHS-approved reimbursements during the fiscal year ended June 30, 2018, for services provided through Excentia's Rohrerstown Road location in Lancaster, Pennsylvania, which provides several types of services to individuals with Intellectual and Developmental Disabilities (IDD).<sup>17</sup>

According to DHS regulations and policies, MA providers must document and maintain a record for every service included on each claim submitted to DHS for reimbursement. The service documentation must be true, accurate, and complete.<sup>18</sup> The accuracy of Excentia's MA claims for reimbursement depends on: (1) adequately documenting the DHS-authorized services provided for the individuals according to their Individual Support Plans (ISP), and (2) properly recording the service duration times.<sup>19</sup>

Excentia staff who directly provide services must use a daily service note (service note) to document the service activities, duration of the service delivery, and the individual's participation during each activity. Service documentation must be carefully maintained to support each claim and be readily available for audit purposes.<sup>20</sup> Excentia's direct care staff create service notes in an electronic case management software program (Foothold) each day after providing services for each individual served. The entries describe the service activities and progress made towards achieving each individual's goals noted in their ISPs.

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<sup>17</sup> Excentia's IDD services selected for audit included home and community supports, community participation supports, companion services, and behavioral supports, as described in the *Background* section of this report.

<sup>18</sup> 55 Pa. Code §§ 6100.226 and 6100.227 (relating to Documentation of Claims and Progress Notes). Note: These sections of 55 Pa. Code Chapter 6100 *Services for Individuals with an Intellectual Disability or Autism* became effective on October 5, 2019 and replaced the former 55 Pa. Code § 51.15(a), which was in effect during the audit period. See DHS Office of Developmental Programs *Medical Assistance Bulletin* 00-17-02, issued July 21, 2017.

<sup>19</sup> The Individual Support Plan (ISP) is developed for individuals with developmental disabilities to document their personal preferences, dreams and wishes, medical history, and other information meant to be used by everyone involved in the individuals' network of support so services can be structured to meet the individuals' needs based on their own choices. The ISP is updated annually or sooner, if the individuals' circumstances/preferences change.

<sup>20</sup> DHS Office of Developmental Programs *Medical Assistance Bulletin* 00-17-02, issued July 21, 2017. DHS issued this bulletin to describe its expectations and offer guidance to MA providers for adequate service documentation to support the claims. The bulletin requires service notes to document each service provided and monthly progress notes to assess the individuals' progress towards their desired goals and the effectiveness of the services. Service notes support the propriety of each claim submitted for reimbursement, must include details about the service delivery and be maintained for four years.

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Excentia submits claims to DHS on a fee-for-service basis for the number of service units provided to MA-enrolled individuals.<sup>21</sup> Depending on the program, claims are submitted weekly or monthly. As a result, each claim amount typically represents multiple days when Excentia's direct care staff provided services. Services may be provided in the individuals' home, at Excentia's facility, or throughout the community.

DHS approved reimbursements for 17,116 claims totaling approximately \$3.8 million between July 1, 2017 and June 30, 2018 for Excentia's IDD program services provided through its Rohrerstown Road, Lancaster location. We randomly selected 60 claims for review, totaling \$9,994.<sup>22</sup> As a result of our audit procedures, we determined that 52 of the 60 claims, totaling \$7,985 were adequately supported by the required service documentation. We found, however, audit exceptions with eight claims related to Excentia's Community Participation Supports (CPS) program, as described below:

- **Two claims**, totaling \$204, were submitted to DHS for reimbursement with an incorrect number of service units resulting in a net underpayment of \$29 to Excentia.
- **One claim**, totaling \$126, was submitted to DHS for reimbursement with an incorrect service code; however, Excentia received the appropriate reimbursement amount.
- **Five claims**, totaling \$1,679, lacked service documentation; however, review of other documentation indicated that the services were rendered.

We investigated these exceptions and determined that weaknesses in Excentia's system of management controls caused these issues. These control weaknesses are addressed in detail in the sections below. We also found that in regard to preparation of service documentation, Excentia's written procedures require program specialists and program supervisors to review service notes on a daily basis to ensure documentation is complete and accurate. We found however, despite this requirement, the procedures did not require the reviewers to document their reviews to demonstrate that they were completed. We found no evidence of documented supervisory review of the daily service notes for any of the 60 claims that we reviewed.

Excentia management is responsible for the adequate design and effective operation of management controls to ensure compliance with applicable laws and regulations, which include

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<sup>21</sup> A service unit is equal to 15 minutes of services provided for an individual. MA providers may only include a unit on a claim for each completed 15-minute period. When calculating units for a claim, the service duration may not be rounded up to the next 15-minute period. For example, services provided for 44 minutes equates to two service units eligible for reimbursement.

<sup>22</sup> Claims selected for testing were randomly selected after using auditor's professional judgment to prorate the number of test items selected based on the service codes for all claims in the audit population, as further described in *Appendix A – Objective, Scope, and Methodology*. The results of our testing, therefore, cannot be projected to, and are not representative of, the corresponding population.

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assuring that accurate documentation supports each submitted claim and is maintained.<sup>23</sup> A well-designed supervisory review process should include documentation that the reviews occurred as required, which would in turn, reduce the risk that claims might be submitted inaccurately or without the required supporting service documentation. Additionally, documented supervisory review would allow independent outside entities, such as auditors, to verify that this management control is functioning. Inadequately designed controls, or adequate controls that do not operate effectively, increase the risk that incorrect claims will not be identified prior to submission to DHS for reimbursement and claims documentation will not be maintained in accordance with DHS regulations.

### **Two claims, totaling \$204, were submitted to DHS for reimbursement with an incorrect number of service units resulting in a net underpayment of \$29 to Excentia.**

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Of the 60 claims we reviewed, we found that 2 contained errors in the number of service units recorded. Excentia submitted these claims to DHS without detecting the errors because Excentia lacked adequate management controls over certain steps within its MA claims processing for the CPS program. For this program, Excentia staff hand write the individuals' arrival and departure times on daily attendance sheets (attendance sheet), which equates to the individuals' service times. This includes any time an individual is taken into the community for part of the day and the subsequent return to the facility. Supervisors review the attendance sheets on a weekly basis to ensure all of the individuals' service times were accurately recorded. Unlike the service notes as stated above, we found that the supervisors initial the attendance sheets as evidence of their review, even though there were no written procedures for this documented review. Once reviewed, the supervisors give them to the administrative assistant who enters the individuals' times into Foothold.

Upon bringing these two errors to Excentia's attention, management explained that the errors were caused by the administrative assistant entering the wrong service times into Foothold. The administrative assistant is expected to double check the entries for accuracy before returning the attendance sheets for filing, but these errors were not detected. Also, there is no supervisory review in place to ensure that the service times were accurately entered into Foothold. As a net result of these errors, Excentia did not receive \$29 in MA reimbursements that it had earned.<sup>24</sup>

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<sup>23</sup> 55 Pa. Code § 1101.51(e) (pertaining to Record keeping requirements and onsite access); DHS' Office of Developmental Programs Bulletin 00-17-02, issued July 21, 2017.

<sup>24</sup> The administrative assistant incorrectly entered the service times from the manual timesheet to the Foothold program, which resulted in an overpayment from DHS of \$8.90 for one claim and an underpayment of \$38.20 for the other claim. These funds cannot be recovered because more than 365 days have passed since the service was provided.

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#### **One claim, totaling \$126, was submitted to DHS for reimbursement with an incorrect service code; however, Excentia received the appropriate reimbursement amount.**

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We also discovered that 1 of the 60 claims reviewed was submitted to DHS with the wrong service code. Specifically, we found that the claim submitted indicated that the 25 service units were all provided at the facility when in fact, based on our review of the service notes, only 3 service units were provided at the facility and 22 units were provided in the community.<sup>25</sup>

Despite the fact that Excentia had a management control in place to detect data entry errors regarding service codes, management indicated that a billing department staff member mistakenly entered the wrong service code when manually entering the service information into Excentia's financial software program and the control did not identify the error.<sup>26</sup> This control is not documented in written procedures. It is important for Excentia to ensure that this management control is operating effectively.

Excentia received the appropriate reimbursement amount despite the service code entry error because the correct and incorrect service code had the same reimbursement rate. It is still important however, to ensure the correct service codes are submitted to DHS because DHS authorizes a specific number of service units by service code for each MA-enrolled individual. These amounts are recorded on each individual's ISP and failing to include the correct service codes on claims could potentially prevent individuals from receiving the services they desire and DHS authorized.

#### **Five claims, totaling \$1,679, lacked service documentation; however, review of other documentation indicated that the services were rendered.**

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The daily service notes for 5 of the 60 claims we selected were not available, and we therefore could not review the details of the services provided for the CPS program participants. As noted above, Excentia's direct service staff are responsible for completing the daily service notes to document the service activities provided and the level of the individuals' success with achieving the goals listed in the individuals' ISPs. This information is needed as program specialists

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<sup>25</sup> There are different service codes when providing services at the facility versus in the community.

<sup>26</sup> Excentia's billing team runs a program query within its financial software program to compare the total service units for each service code from a Foothold-generated report to the information entered into its financial software program to ensure the information was accurately entered. After any differences are resolved and the query matches the Foothold report, staff prepare a claim file to be uploaded to DHS through PROMISe™. The Provider Reimbursement and Operations Management Information System (PROMISe™) is DHS' claims processing and management information system that incorporates the claims processing and information activities of certain DHS program areas including its Office of Developmental Programs.

## **A Performance Audit**

### **Excentia Human Services**

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conduct the monthly assessments and complete progress reviews which are used to determine whether the services being provided effectively help the individuals reach their desired goals.

Excentia management indicated that from August to October 2017, it was transitioning from its previous electronic case management system to Foothold. Its staff experienced problems with the new system for the first few months. One problem related to saving the daily service notes after creating them in Foothold. Four of the five claims, totaling \$1,130, that lack daily service notes were for services provided during that timeframe. Excentia management explained that the service note could have been completed electronically in Foothold, but not properly saved. It also stated however, that it was possible that the direct care staff never created the service note after service delivery.

The fifth claim that DHS approved for reimbursement of \$549 on July 10, 2017, was for services provided prior to July 2017. The claim was for a period of five days however, Excentia was only able to provide a daily service note for one of the five days. Management explained that the daily service notes were maintained in Excentia's old electronic record system at that time but only information for one of the five days could be found after running a report from the old system. Management could not determine if the service notes for the four other days were ever completed.

While Excentia could not provide the daily service notes for the five claims noted above, we were able to validate these claims by reviewing the attendance sheets which substantiated that the individual received services on the date in question. According to management, the technical difficulties experienced with Foothold were resolved by November 2017 and the program has subsequently functioned properly.

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## **Recommendations**

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We recommend that Excentia:

1. Revise its written procedures for the supervisory reviews of the daily service notes to require the reviewer to document the review and approval as evidence that the daily service note was reviewed for completeness and accuracy. This should include at a minimum the date of the review and who performed the review.
2. Develop comprehensive written procedures for the supervisors' weekly review of attendance sheets to include a review of the Foothold system entries made by the administrative assistant to ensure the accuracy of the attendance sheet information in Foothold.

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3. Develop comprehensive written procedures for the management control that compares service code information within Foothold to the service code information within its financial software program.
4. Ensure that the management control noted in Recommendation No. 3 is operating effectively.
5. Ensure that service notes are completed and properly retained in accordance with DHS regulations and policies.



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#### **Excentia Human Services' Response and Auditor's Conclusion**

We provided our draft audit procedures and results, and finding and related recommendations to Excentia Human Services (Excentia) for its review. On the pages that follow, we included Excentia's response in its entirety. Following Excentia's response is our auditor's conclusion.

A Performance Audit  
Excentia Human Services

Audit Response from Excentia Human Services

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November 30, 2020

Scott D. King, CPA  
Assistant Director  
Bureau of Performance Audits  
302 Finance Building  
Harrisburg, PA 17120-0018  
[SKing@paauditor.gov](mailto:SKing@paauditor.gov)

Dear Mr. King,

We have received and reviewed your November 13, 2020 correspondence that forwarded the draft audit procedures, results, findings and recommendations pertaining to the performance audit of our agency of certain service costs reimbursed by the Pennsylvania Department of Human Services during the period of July 1, 2017 through June 30, 2018, with updates through the date of the draft report. Your correspondence also informed us that the audit was not conducted in accordance with generally accepted auditing standards as issued by the comptroller General of the United States and requested that we send a response to the audit results by November 30, 2020.

At the entrance conference the auditors described the very narrow purpose and scope of the performance audit which was to determine whether certain services they would select had been provided. The draft audit finds that all services selected by the auditors had been provided which is exactly what we knew and expected they would find. Accordingly, we are not requesting revisions to the findings and are not requesting an exit conference to discuss them.

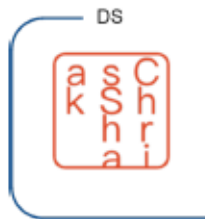
However, in the interests of clarity we point out that along with the change made from the Foothold documentation program that was noted in the audit report, a number of the recommendations regarding documentation review in the draft audit had already been addressed, for example, a Ph.D. level Clinical Director and a Finance Director were hired which augments clinical and billing supervisory oversight and further staff training on documentation requirements also has been provided. In addition to making these changes, we are continuing to revise policy and train staff on those policy revisions with a goal of constantly improving our service documentation and billing processes.

We thank you for this opportunity to comment and for the collaborative approach we experienced from the auditors.

Sincerely,

DocuSigned by:  
  
307A6735582D44A...  
Chris Shaak

Chief Executive Officer  
Excentia Human Services



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### **Excentia Human Services**

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#### **Auditor's Conclusion to the Excentia Human Services Response**

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Excentia Human Services' (Excentia) management agrees with our finding and recommendations and states that some of the recommendations relating to service documentation reviews had already been addressed. We commend Excentia's commitment to improve its service documentation and claims submission processes by continuing to revise policies and train its staff accordingly. We believe this should strengthen Excentia's management controls necessary to help ensure that Medical Assistance claims submitted to the Pennsylvania Department of Human Services (DHS) for reimbursement are valid, accurate, and properly documented in compliance with DHS regulations.

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#### Appendix A

#### Objective, Scope, and Methodology

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The Department of the Auditor General conducted this performance audit of Excentia Human Services (Excentia) under the authority of Sections 402 and 403 of The Fiscal Code (Code), and in accordance with the 2019-2020 Budget Implementation provision of Article XVII-J, Subarticle B, Section 1715-J of the Code.<sup>27</sup> This audit was limited to the objective identified below and was not conducted, nor required to be conducted, in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. We planned and performed this audit to obtain sufficient, appropriate evidence to the extent necessary to satisfy the audit objective. We believe that the evidence obtained provides a reasonable basis to support our results, finding, and conclusions.

#### Objective

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Our audit objective was to determine whether services for which the costs were reimbursed by the Pennsylvania Department of Human Services (DHS) were rendered. [See *Finding*.]

#### Scope

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The audit objective covered the period July 1, 2017 through June 30, 2018, with updates through the report date.

#### Methodology

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Claims selected for testing within this audit were based on random selection procedures and auditor's professional judgment. The results of our testing therefore, cannot be projected to, and are not representative of, the corresponding population.

To address the audit objective, we performed the following procedures:

- Obtained a data file from the Department of the Auditor General's Bureau of Information Technology Audits (BITA) summarizing Medical Assistance (MA) claims that received DHS approval by MA provider and federal account code for the period July 1, 2017, through June 30, 2018. This data file was created by BITA utilizing monthly data files obtained from DHS and evaluated as part of the Commonwealth's annual Single Audit performed by the Department of the Auditor General. See further details in the *Data Reliability* section below. We utilized this file to judgmentally select MA providers to audit, including Excentia, pursuant to Article XVII-J, Subarticle B, Section 1715-J of the

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<sup>27</sup> 72 P.S. §§ 402-403, and 1715-J.

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Code to ensure coverage of MA programs and geographic location throughout the Commonwealth.

- Reviewed the following laws, regulations, policies, and procedures applicable to Excentia operations related to services provided for MA-enrolled individuals to determine legislative, regulatory, and policy requirements related to our audit objective:
  - *Grants to States for Medical Assistance Programs*, Title XIX of the Social Security Act of 1935, as amended (42 U.S.C. § 1396 *et seq.*).<sup>28</sup>
  - *Intellectual Disability and Autism Manual*, Part VIII, Subpart C, Administration and Fiscal Management, Chapter 6100 (55 Pa. Code § 6100.226 - 6100.227).<sup>29</sup>
  - *Medical Assistance Manual*, Part III, Title 55 of the Pennsylvania Code (55 Pa. Code § 1101 *et seq.*).<sup>30</sup>
  - *DHS' Office of Developmental Programs (ODP) Home and Community-Based Services (HCBS)*, Part I, Subpart E, Title 55 of the Pennsylvania Code (55 Pa. Code § 51 *et seq.*).<sup>31</sup>
  - *HCBS: Waiver Requirements*, Subpart G, Part 441, Title 42 of the U.S. Code of Federal Regulations (42 CFR § 441.300 *et seq.*).<sup>32</sup>
  - *DHS' ODP Bulletin 00-17-02*, Claim and Service Documentation Requirements for Providers of Consolidated and Person/Family Directed Support Waiver Services and Targeted Services Management.<sup>33</sup>
- Interviewed Excentia management to gain an understanding of the organization and programs offered in order to identify which programs are associated with our population of claims that DHS approved for reimbursement to Excentia during the audit period.
- Obtained Excentia's written procedures for completion of daily services notes and documentation review procedures in order to design audit procedures.

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<sup>28</sup> [https://www.ssa.gov/OP\\_Home/ssact/title19/1900.htm](https://www.ssa.gov/OP_Home/ssact/title19/1900.htm) (accessed June 30, 2020).

<sup>29</sup> <https://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/055/chapter6100/s6100.226.html> (accessed September 10, 2020).

<sup>30</sup> <http://www.pacodeandbulletin.gov/Display/pacode?file=/secure/pacode/data/055/partIIIItoc.html&d=> (accessed June 30, 2020).

<sup>31</sup> <http://www.pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/vol42/42-23/1043.html> (accessed June 30, 2020).

<sup>32</sup> <https://www.govinfo.gov/content/pkg/CFR-2000-title42-vol3/pdf/CFR-2000-title42-vol3-part441.pdf> (accessed June 30, 2020).

<sup>33</sup> DHS' Office of Developmental Programs Bulletin 00-17-02, issued July 21, 2017.

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- Met with DHS staff from ODP to gain an understanding of the Home and Community-based Services Intellectual Disabilities (HCBS-ID) Waiver program and the service codes that represent the eligible services. We also discussed how claims are submitted for services provided to MA-enrolled individuals using the PROMIS<sup>e</sup>™ system, which verifies the individuals' MA eligibility before a claim is approved for reimbursement.
- Utilized our understanding of the MA program, laws and regulations, and Excentia's policies and procedures to assess audit risk and plan our audit procedures.
- Obtained a data file from DHS ODP containing all Excentia HCBS-ID Waiver program claims that DHS approved for reimbursement during the period July 1, 2017 through June 30, 2018, encompassing 30,114 claims totaling more than \$14.8 million. This data file included 17,116 claims totaling approximately \$3.8 million for services provided through Excentia's Rohrerstown Road location in Lancaster related to the Behavioral Supports, Community Participation Supports, Home and Community Supports, and Companion Services programs, which was the focus of this audit.
- Randomly selected 60 claims from the DHS ODP data file in consideration of our analysis of the data file and our assessment of audit risk.<sup>34</sup>
- Developed and performed the following procedures to test the selected claims for compliance with laws and policies and to ensure management controls were operating effectively based on our understanding of Excentia's procedures and review of example documentation:
  - Reviewed service documents associated with each selected claim to verify the service was provided and properly authorized based on the Individual Support Plans.<sup>35</sup>
  - Agreed Excentia documents for each selected claim to its claim processing documents, such as the individual's name, date of service, and number of units (duration of provided service).
  - Used Excentia's employee attendance records to verify that its staff who provided the service and completed the service documentation was present on the service date.

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<sup>34</sup> Each claim includes a service code that identifies the service provided. The claims within our audit population included five different services that represented between .5% and 85% of the total number of claims. We prorated our sample of 60 claims using these percentages to ensure coverage of every service code. We also ensured that individuals were not associated with more than one claim within each of the five service groups.

<sup>35</sup> The Individual Support Plan (ISP) is developed for individuals with developmental disabilities to document their personal preferences, dreams and wishes, medical history, and other information meant to be used by everyone involved in the individuals' network of support so services can be structured to meet the individuals' needs based on their own choices. The ISP is updated annually or sooner, if the individuals' circumstances/preferences change.

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- Recalculated the claim amount using DHS' established reimbursement rate for the specific service.<sup>36</sup>
- Verified the data associated with each MA claim selected for testing from the DHS ODP file agreed with the claim's source documents in accordance with DHS ODP policy.
  - Reviewed Excentia's personnel records for 4 program staff judgmentally selected from 40 program staff who provided the services associated with the 60 claims we tested. We ensured the personnel records indicated that the staff received the training required for direct care personnel according to DHS regulations and Excentia's training policy.<sup>37</sup>

### Data Reliability

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We performed an assessment of the sufficiency and appropriateness of computer-processed information that we used to support our finding, conclusions, and recommendations. The assessment includes considerations regarding the completeness and accuracy of the data for the intended purposes.

- To assess the completeness and accuracy of the data file of DHS-approved MA claims summarized by MA provider and federal account code for the period July 1, 2017 through June 30, 2018, BITA reconciled the data file to DHS data provided and evaluated as part of the Commonwealth's Single Audit for the fiscal year ended June 30, 2018 conducted by the Department of the Auditor General jointly with a certified public accounting firm.<sup>38</sup> Based on the procedures performed, we concluded the data to be sufficiently reliable for the purposes of selecting MA providers to audit, including Excentia.
- To assess the completeness and accuracy of the data file received from DHS ODP containing individual Excentia claims approved by DHS during the period July 1, 2017 through June 30, 2018, we reconciled the total of this file to the data obtained from DHS and evaluated as part of the commonwealth's Single Audit for fiscal year ended June 30, 2018.<sup>39</sup> Additionally, we

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<sup>36</sup> [https://www.dhs.pa.gov/Services/Disabilities-Aging/Documents/Historical%20Rates/Fee%20Schedule%20Rates%20for%20Community-Based%20Services%20Effective%20July%201,%202017%20\(c\\_283982\).pdf](https://www.dhs.pa.gov/Services/Disabilities-Aging/Documents/Historical%20Rates/Fee%20Schedule%20Rates%20for%20Community-Based%20Services%20Effective%20July%201,%202017%20(c_283982).pdf) (accessed September 2, 2020).

<sup>37</sup> 55 Pa. Code §§ 6100.141 and 6100.143; Note: These sections of 55 Pa. Code, Chapter 6100, *Services for Individuals with an Intellectual Disability or Autism* became effective on October 5, 2019 and replaced 55 Pa. Code §§ 51.23 and 2380.39, which were in effect during the audit period.; Excentia Employee Training Policy No. 2-4101 (revised July 1, 2015).

<sup>38</sup> <https://www.budget.pa.gov/PublicationsAndReports/Documents/SingleAuditReports/june-30-2018-single-audit-report.pdf> (accessed March 3, 2020).

<sup>39</sup> As part of the Single Audit, the Department of the Auditor General obtains monthly data files of MA claims from DHS. This data is evaluated and tested for reliability as part of the Single Audit of the MA program. While the DHS PROMISE™ system is the same source for both the MA claims data evaluated during the Single Audit and the

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randomly selected 60 claims from the DHS ODP data file and agreed the data to source documents maintained by Excentia as described in the *Methodology* section above. We therefore concluded the DHS ODP data file was sufficiently reliable for the purposes of this engagement.

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claims data provided to us for Excentia, we consider the Single Audit data to be a reliable independent source for purposes of our engagement since DHS provided the data at different times for different purposes.



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#### Appendix B

#### Distribution List

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