Part C Fiscal Monitoring:
Three State Examples of Monitoring Tools and Processes

IDEA Leadership Conference

Tuesday, July 30, 2013 10:00-11:30

Session EC201

Introductions

Colorado
Ardith Ferguson, Program Manager, DHS

Pennsylvania
Carl Beck, Division Chief - Operations, Bureau of EI Services
Emily Hackleman, Division Chief - Policy, Bureau of EI Services

Virginia
Catherine Hancock, EI Administrator, DBHDS
Kyla Patterson, TA Consultant, DBHDS

Technical Assistance
Katy McCullough, Early Childhood TA Center & MSRRC

Please Tell Us

- Who is in the room?

- What, in particular, are you hoping to gain from this session?

Federal Requirements

- IDEA: Part C CrEAG

- GEPRA (EDGAR): 34 CFR Parts 74-99
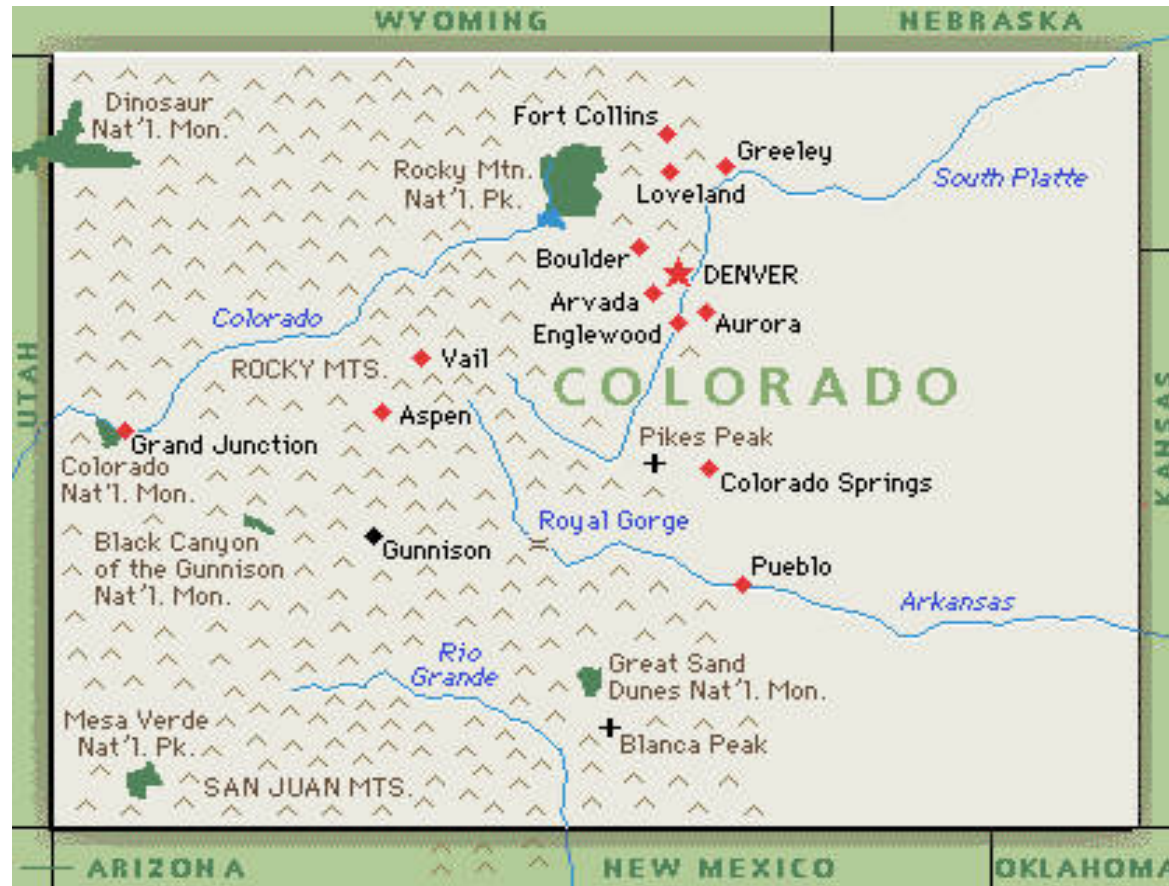
- OMB Circulars: A-87 and A-133

- ARRA: AMI

See handout for resources and links

State Fiscal Structures

- State Structure

- Management of Funds

- System of Payments

- Ratio of Funds Accessed

- Transparency of Fiscal Requirements

- Identification of Fiscal issues/non-compliance

See handout on state fiscal structures for CO, PA & VA

COLORADO

Colorado Integrated General Supervision and Monitoring Activities

- Policies and Procedures (Rules, Procedural Manuals, and Contract Requirements)

  http://www.eicolorado.org/Files/AppendixD-FiscalManagementandAccountabilityProceduresFinal2013.pdf

- Desk Audits

- Performance Tracking

- Onsite File Reviews and Data Verification

- Corrective Action Plans

- Targeted Technical Assistance

- Public Reporting

Based on the puzzle pieces of an effective General Supervision System and *Six Steps for Monitoring and Program Improvement*, a product of WRRC (July 2009)

Six-Step Process

- Step 1 – Identify the fiscal issue
- Step 2 – Determine the level or extent
- Step 3 – Drill down to determine the cause
- Step 4 – Define steps for correction and/or focused technical assistance
- Step 5 – Ensure and confirm resolution
- Step 6 – Periodic check to verify resolution

Based on the Six Steps for Monitoring and Program Improvement, a product of WRRC (July 2009)

Colorado Example –
Monthly Performance Tracking for
Medicaid Utilization

Program	Actual Medicaid Monthly Enrolled	Projected Medicaid Monthly Enrolled	Actual Medicaid Service Paid	Count Difference Actual to Paid	% Difference Actual to Projected	% Difference Actual Monthly Enrolled to Paid
A	10	6	7	1	16.7%	70%
B	56	26	20	(6)	-23.1%	35.7%

FY 2012-13 Projected Target for use of Medicaid for Direct Services = 40%

Colorado Example - Early Intervention Services Fiscal Monitoring Template

Priority Area: Early Intervention Initial Assessment Claims	
BACKGROUND: Program A has submitted a number of claims for initial assessments. The Early Intervention Coordinator indicates that initial assessments are only completed in cases where a child is diagnosed with an established condition. Only one child within the claims submitted to date for FY 2012-13 has a diagnosed condition. EI Coordinator has reported that these claims may have been submitted in cases where a Medicaid evaluation is required.	
Related Question	**Response**
Is the funding hierarchy being followed to determine the appropriate funding to cover the costs of the assessment? Explain	No, 100% of the files reviewed (n=9) indicate that the funding hierarchy was not followed. State General Fund was used when Child Find (n= 8) and Medicaid (n= 1) should have been used to cover the cost of the evaluation and/or assessment. Of the files reviewed (n=9), 100% had activities that were coded as assessments that should have been considered direct services and billed to Medicaid.
	Notes: During exit interview, technical assistance was provided to clarify instructions in the Fiscal Management and Accountability Procedures. Program A staff was advised to conduct a meeting with relevant staff in order to correct billing claims errors. Data entries shall be corrected no later than May 15, 2013.

Colorado Strengths & Challenges

Strengths:

- *Close team work - integration of Fiscal and Program Quality/Data staff*
- *Detailed data reports support in-depth desk audits*
- *Transparency of performance reports*

Challenges:

- *State data system challenging to revise*
- *Working with 20 local contract entities of various sizes and fiscal management sophistication*

PENNSYLVANIA

Pennsylvania Process & Tools

PELICAN EI: is the name of the information system used in collaboration with other Commonwealth systems that ensures validity of data and reduces fraud or abuse regarding service claims

- PELICAN EI Interacts with other Commonwealth systems, including: Master Client Index (MCI), Client Information System (CIS), Provider Reimbursement and Operations Management Information System (PROMIS*e*™) and Master Provider Index (MPI) in order to share information across programs.

Master Client Index (MCI)

Enterprise Data Warehouse

PROMIS*e* ™

Master Provider Index (MPI)

PELICAN Early Intervention
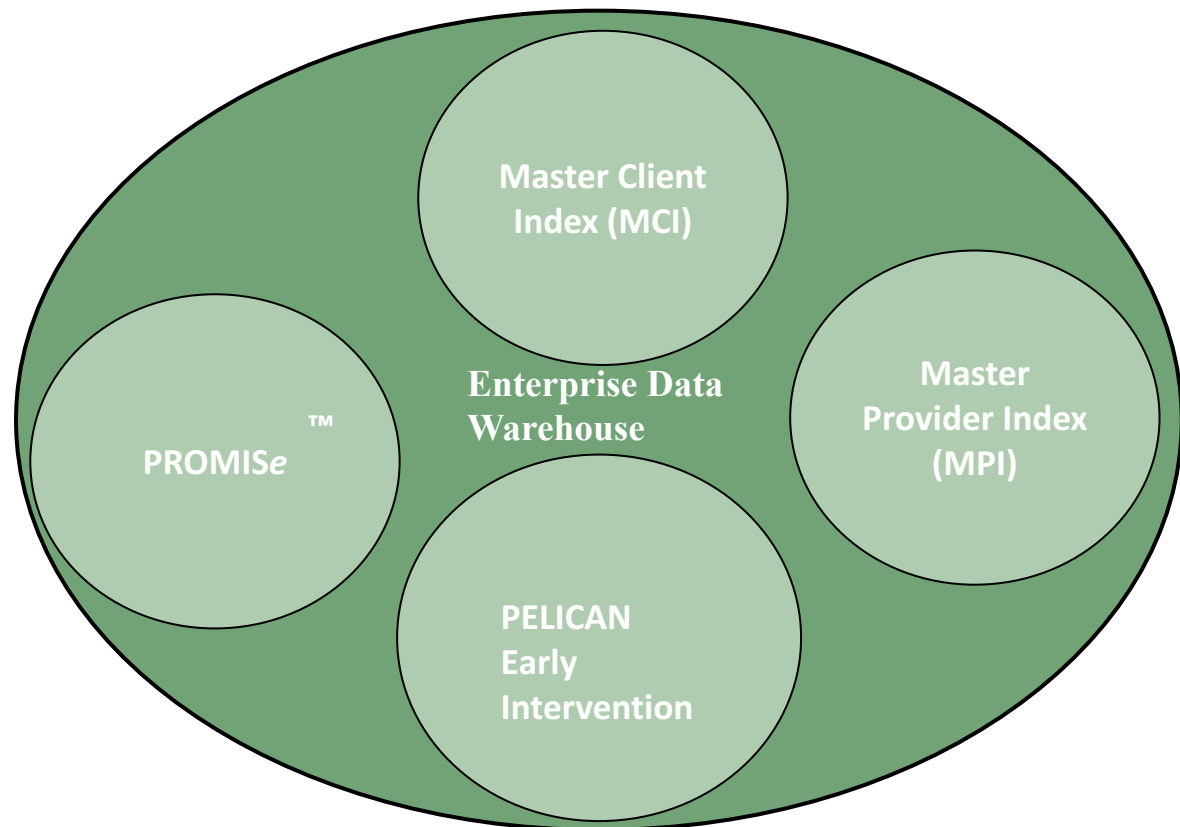
Pennsylvania Process & Tools

Pennsylvania's Fiscal Monitoring

pennsylvania *Pennsylvania's Enterprise to Link Information for Children Across Networks*   Help

P E L I C A N
Early Intervention   Home | M4Q | Individual | Plan | SC | Provider | Financial | Admin. | Tools

Individuals | Providers | Aging Plan | County/Program Office | Waiver Capacity Mgmt | Mass Rate Change

Appropriations | Allocations | Funding Level | R2E

Financial - County/Program Office - Funding Level - Funding Level
Search

Budget Information	Funding Level
Total Service Funds:	$435,930.96
Expensed Funds:	$4,833.18
Additional Encumbered Funds:	$263,842.39
Remaining Service Funds:	$167,255.39

Fiscal Year: 2009-2010	Local Program: ALLEGHENY

Funding Streams	State Allocation	County Match	County Overbooking	Total Funds	Expensed Funds	Projected Encumbrance*
EI MA:	$21,804.50	$0.00	$872.18	$22,676.68	$2,233.09	$97,526.45
ITF Waiver:	$67,890.00	$0.00	$1,731.20	$69,621.20	$0.00	$0.00
Maintenance:	$306,568.90	$30,656.89	$6,407.29	$343,633.08	$2,600.09	$166,315.94
EI Program Operations:	$1,000.50	$100.05	$0.00	$1,100.55	$0.00	$0.00
ITF Program Operations:	$1,000.50	$0.00	$0.00	$1,000.50	$0.00	$0.00
Training:	$1,000.50	$100.05	$0.00	$1,100.55	$0.00	$0.00
Total	**$399,264.90**	**$30,856.99**	**$9,010.67**	**$439,132.56**	**$4,833.18**	**$263,842.39**

*Projected Encumbrance updated nightly

Set County Overbooking			
EI MA:	4%	State Maximum:	99%
ITF Waiver:	2.55%	State Maximum:	60%
Maintenance:	2.09%	State Maximum:	60%

Update

You are presently logged into HCSIS   Thursday, August 19, 2010 11:17 AM   Your session will expire at approximately 12:17 PM

Pennsylvania Process & Tools
Local Verification Process

- Each local program has ongoing monitoring that includes: annual data pull from PELICAN; annual determination; an onsite verification every two years; followed with an improvement plan that incorporates the training and technical assistance plan and a validation of non compliances one year from the verification.

- Each local program monitors fiscal and quality of providers yearly

- The verification tool includes the following areas

  Indicator: The general classification heading and its description:

  - General Supervision (GS—11 items)

  - Fiscal Supervision (FS—3 items)

  - Public Awareness and Child Find (CF-2 items)

  - Quality Framework (QF—7 items)

  - Quality Service Delivery (SD—10 items)

  - Transition (T—6 items)

Pennsylvania's Verification Tool

Indicator: Fiscal Supervision	
Item FS-2: Use of State and Local Early Intervention Funds Are there fiscal controls in place to ensure appropriate use of these funds?	
Infant/Toddler EI Criteria	**Preschool EI Criteria**
There is evidence that the Infant/Toddler program followed state guidelines for expenditures within this funding source such as: • Productivity of service coordination positions are monitored to maximize number of children served and to maintain appropriate caseloads. • Procedure in place to analyze SC direct and indirect time. • Re budget: timely submission, issues resolved. • Documentation of training expenditures does not exceed training allocation. • Appropriate use of administration dollars, details on the staff that are assigned to the EI Admin categorical. • Contracts contain all applicable regulatory requirements. Infant/Toddler Requirements: §4226.11 §4226.13 §4226.14 §4226.15 §4600 Regulations §4300 Regulations §303.510 §303.520 Announcement: EI 10 #1	There is evidence that the Preschool program followed state guidelines as per Rider YY for expenditures within this funding source such as: • Submission of all Fiscal reports by designated due date even if extension granted. • Appropriate training expenditures, not exceeding the amount of a maximum of 2% or no less than 1% of state allocation. • Documentation of training expenditures for current year are appropriate. • Budget worksheets in agreement with allocation amount. • Space costs for classrooms or assessment areas only are in alignment with fair market value of the area. • Detailed contracts for private providers, containing appropriate language and corresponding invoices as per contract template. • Detailed contract invoices that include names of children served, specific services, hours of service and rate costs per hour. • Teachers/therapists do not exceed state caseload regulations. • Preschool EI funds are not used to pay for children in Act 30 status. Preschool Requirements: OCDEL State Early Intervention Fiscal/Contract Guidelines

Infant/Toddler EI Data Sources	Preschool EI Data Sources
STATEWIDE DATA SYSTEM Expenditure reports Current year funding spreadsheet by categorical (local report) Local FTE report displaying staff assigned to the EI Admin categorical Carry over reports Payer of last resort policy Allocation and re budget submissions Evidence of county match County and provider contracts (including current provider rates) and Payment Files for services Fee Schedules as appropriate	Fiscal Reports for current year and previous year Original Budget, with any revisions – current year Final Budget – previous year Training Expense Worksheets – current and previous year Copy of Collective Bargaining Agreement(s)/Employee Contract(s) Copies of leases/rental agreements – current and previous year Copies of contracts for service provision – current year including a minimum of one invoice per contract List of professional staff and assigned caseload. Staff roster to include staff name, discipline, FTE and class/caseload size. Review a minimum of 5% in each discipline (no less than 2, no more than 10).
Score	
Maximum Score—20 points **20 points** Documentation is available that **all criteria are met.** **15 points** Documentation is available that **75-99% of criteria are met.** **10 points** Documentation is available that **50-74% of criteria are met.** **5 points** Documentation is available that **25-49% of criteria are met.** **0 points** Documentation is available that **0-24% of criteria are met** or insufficient documentation exists to determine whether criteria are met.	

http://www.dpw.state.pa.us/forchildren/earlyinterventionservices/index.htm

PA Strengths & Challenges

Strengths:

- *Real time projected costs of all planned services and their utilization*

- *Ongoing fiscal monitoring of all programs*

Challenges:

- *Information technology funds to support the cost of maintaining the web based system*

VIRGINIA

Virginia Process & Tools

Three-pronged approach to assure local systems meet fiscal requirements:

1. Know and Understand
2. Require
3. Monitor

Virginia: Know & Understand

- Policies and Procedures
- Practice Manual
- TA and Training
- Written instructions for reporting forms
- Fiscal section on website

Virginia: Require

- Contract with Local Lead Agency
  - Includes fiscal assurances
  - Budgets, Expenditure Reporting
  - On-site fiscal monitoring
  - Budget shortfall reporting requirements
  - Local Lead Agencies must require compliance in contracts with providers

Virginia: Monitor

- Structure within State Lead Agency
- Expenditure Report form
  - Fiscal Review
  - Programmatic Review
- Quality Management Reviews
- Annual local audits under Single Audit Act

Virginia Strengths & Challenges

Strengths:

- *Strong working relationship between Fiscal and Program staff*

- *Expenditure reporting form*

Challenges:

- *Lack of fiscal data in state data system*

- *Working with 40 local entities and 10 are not local counterparts of the State Lead Agency*

Questions

What are some of the barriers you have hit in trying to roll out these tools or processes?

Where do you want to go next with your fiscal monitoring efforts?

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