



John Keel, CPA
State Auditor

An Audit Report on

**State Mental Retardation
Facilities, the Department of
Aging and Disability Services,
and the Department of Family
and Protective Services**

July 2008

Report No. 08-039



John Keel, CPA
State Auditor

An Audit Report on

State Mental Retardation Facilities, the Department of Aging and Disability Services, and the Department of Family and Protective Services

SAO Report No. 08-039
July 2008

Overall Conclusion

The Department of Aging and Disability Services should strengthen certain processes related to mental retardation services.

The Department of Aging and Disability Services (DADS) has taken steps to improve its processes for discussing community living options with state school consumers of mental retardation services. For example:

- DADS now contracts with local mental retardation authorities (MRA). The MRAs conduct discussions of community living options with state school consumers.¹
- DADS and MRA staff now take consumers, guardians, and state school staff on tours of community facilities to increase awareness of community living options.

There were 4,884 state school consumers at the end of fiscal year 2007. Of those consumers, 644 expressed a preference for alternative living arrangements. DADS did not provide alternative living arrangements to 449 (70 percent) of these 644 state school consumers.

DADS should improve its documentation of required community living options discussions with consumers, as well as its documentation of the reasons for not providing community living arrangements to consumers. DADS's documentation often does not include information about the consumers' awareness of available community living options. Documenting the consumers' awareness of living options is significant given the fact that 52 percent of state school consumers had expressed no preference for specific living arrangements as of the end of fiscal year 2007.

Background Information

The Intermediate Care Facilities/Mental Retardation (ICF/MR) program is a state and federally funded program under Title XIX of the U.S. Social Security Act (Medicaid). The ICF/MR program provides residential care and treatment for persons with mental retardation or severe developmental disabilities.

State schools are ICF/MR facilities operated by the State. There are 13 state schools in Texas. As of August 31, 2007, the state school consumer population was 4,884. There are more than 800 community ICF/MR facilities in Texas. As of August 31, 2007, the community ICF/MR facility consumer population was 6,620.

Fiscal year 2008 appropriations to state schools totaled \$518.9 million; fiscal year 2008 appropriations to community ICF/MR facilities totaled \$351.5 million.

¹ Senate Bill 27 (80th Legislature) required state schools to contract with MRAs. MRA staff conduct community living options discussions and participate in meetings at which DADS staff decide on consumers' living arrangements. This new process began in January 2008.

In addition, DADS should improve its monitoring to help ensure that (1) it discusses community living options adequately with consumers and (2) it has sound and sufficiently documented reasons for its decisions about consumers' living arrangements. DADS's monitoring efforts also are hindered by weaknesses in the automated case management system that contains information about consumers' needs and preferences.

These issues are significant because Texas has the nation's largest population of consumers of mental retardation services living in large, state-run institutions. In fiscal year 2007, DADS began to refer more state school consumers of mental retardation services to community settings. In the last six months of fiscal year 2007, DADS referred 127 state school consumers to community settings, compared with 48 referrals in the first six months of fiscal year 2007. That trend continued in the first six months of fiscal year 2008, when DADS referred 125 state school consumers to community settings.

The Department of Aging and Disability Services also should strengthen its processes for investigating complaints and incidents at state schools and public and private community facilities to identify violations of state rules and Medicaid requirements.

Between September 1, 2005, and December 31, 2007, DADS investigated 99 percent of the highest priority complaints and incidents within one day, as required. However, it did not investigate 41 percent of the second highest priority complaints and incidents within the required timeframe of 14 days.

Auditors identified 10 state school employees who were listed in the Nurses Aide and Employee Misconduct Registries as unemployable due to acts of abuse, neglect, or exploitation that should have disqualified them from their positions. After auditors brought this to DADS's attention, DADS terminated these individuals' employment.

The Department of Family and Protective Services should strengthen its processes for investigating allegations of abuse, neglect, and exploitation.

Texas Human Resources Code, Chapter 48, requires the Department of Family and Protective Services (DFPS) to investigate allegations of abuse, neglect, and exploitation at state schools and government-run community facilities.² Between September 1, 2005, and November 30, 2007, DFPS processed 83 percent of allegations accurately. It incorrectly assessed 2 of 21 (10 percent) allegations that auditors reviewed; as a result, DFPS did not investigate these allegations as required.

² There are few government-run community facilities. Approximately 98 percent of DFPS's investigations of ICF/MR facilities are at state schools.

In addition, DFPS notified facilities of allegations within one hour, as required, 88 percent of the time. DFPS also contacted alleged victims in a timely manner 87 percent of the time, but it should clarify whether contact is required for reports that are referred to the facility and not investigated by DFPS. Lastly, DFPS completed final investigation reports within required timeframes 87 percent of the time.³

Various factors lead to higher costs to serve consumers in state schools as compared to community ICF/MR facilities.

The average daily cost to serve a consumer in a state school in fiscal year 2006 was approximately \$335. The average daily cost to serve a consumer in a community ICF/MR facility in fiscal year 2006 was approximately \$165.⁴ Greater costs in state schools are driven by higher costs in direct care staffing, administration, and comprehensive medical care.

Summary of Management's Response

DADS generally agrees with the recommendations in this report, and DFPS agrees with the recommendations in this report.

Summary of Information Technology Review

Auditors obtained and reviewed data from computer systems at DADS and DFPS.

DADS uses the Client Assignment and Registration (CARE) system to record dates and results of discussions and decisions related to consumer living options. Data provided from the CARE system contained complete consumer populations; however, the CARE system does not have edit checks to prevent or detect data entry errors or to ensure that all relevant information is in the automated case file.

DADS also uses the Compliance, Assessment, Registration, and Enforcement System (CARES) to track the regulatory status of facilities and its investigations of complaints and incidents and allegations of abuse, neglect, and exploitation. CARES contains edit checks for defined data fields; however, it does not capture the time of day that an investigator initiates an investigation. Additionally, there is no independent verification of the date entered by the investigator. Auditors compared hard copy source data at state schools and other facilities with data in CARES and did not identify incorrect dates in CARES.

³ According to Title 40, Texas Administrative Code, DFPS may approve extensions to original case investigation deadlines.

⁴ The primary sources for this analysis were unaudited cost reports for state schools and community ICF/MR facilities provided by the Health and Human Services Commission.

DFPS uses the Information Management Protecting Adults and Children of Texas (IMPACT) system to track its investigations of abuse, neglect, and exploitation. DFPS has implemented controls to ensure data integrity and prevent unauthorized access to IMPACT.

Summary of Objectives, Scope, and Methodology

The audit objectives were to:

- Determine whether DADS ensures that consumers in state mental retardation facilities, or their legal representatives, are aware of their community living options.
- Determine whether DADS has controls in place to ensure that allegations of improper care and possible abuse or neglect are reported, disposed of, or investigated in a manner that promotes the safety of consumers.
- Analyze the costs to deliver services in community and state-run Intermediate Care Facilities/Mental Retardation (ICF/MR) facilities.

The scope of this audit covered DADS's operations related to state schools and community ICF/MR facilities from September 1, 2005, to December 31, 2007, and DFPS's investigations at mental retardation facilities from September 1, 2005, to November 30, 2007.⁵

The audit methodology included conducting interviews with staff and consumers at state schools and community ICF/MR facilities, DADS, and DFPS. Auditors reviewed policies and procedures, statutes, and rules related to consumer living option preferences and investigations of complaints and incidents and allegations of abuse, neglect, and exploitation. Auditors also used information from state school and community ICF/MR facility cost reports to determine the cost of providing care to consumers. In addition, auditors obtained data pertaining to community living options and investigations of complaints and incidents and allegations of abuse, neglect, and exploitation to test for compliance with applicable requirements.

⁵ For DADS, operational data was available through December 31, 2007. For DFPS, a dataset of completed cases investigated was available through November 30, 2007.

Contents

Detailed Results

Chapter 1	
DADS Should Strengthen Certain Processes Associated with Consumers' Community Living Options	1
Chapter 2	
DADS and DFPS Should Strengthen Their Investigations Processes.....	14
Chapter 3	
Costs at State School and Community ICF/MR Facilities	31

Appendices

Appendix 1	
Objectives, Scope, and Methodology	39
Appendix 2	
Turnover Rate for Key Direct Care Staff Positions	42
Appendix 3	
State School Facility Demographics	43
Appendix 4	
Payment Rates for Community ICF/MR Facilities	44

Detailed Results

Chapter 1

DADS Should Strengthen Certain Processes Associated with Consumers' Community Living Options

The Department of Aging and Disability Services (DADS) has taken steps to improve processes for (1) discussing community living options with state school consumers and (2) making annual decisions on living arrangements for these consumers. For example:

Trends in Community Living Options

Across the country, there has been a decrease in the number of consumers of mental retardation services living in large state institutions. Several states have eliminated their large institutions serving consumers with mental retardation, and most states have significantly reduced the number of consumers living in large institutions.

Compared with other states, Texas has the largest population of consumers living in large, state institutions (state schools). From 1995 to 2006, all other states reduced the population of consumers in large, state-run institutions by 41 percent; Texas reduced its state school population by 9 percent over that same time period.

Source: *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2006*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD; the College of Education and Human Development, University of Minnesota, August 2007.

- DADS now contracts with local mental retardation authorities (MRA), which are responsible for discussing community living options with state school consumers and for participating in meetings at which DADS decides on living arrangements for each consumer.
- DADS and MRAs take consumers, guardians, and state school staff on tours of community facilities to increase awareness of community living options.
- DADS has formalized and documented an appeals process for consumers and guardians who disagree with its decisions on consumers' living arrangements.

DADS referred more state school consumers to community living settings in fiscal years 2007 and 2008. According to information DADS provided, DADS made:

- 48 referrals to community living settings in the first six months of fiscal year 2007.
- 127 referrals to community living settings in the last six months of fiscal year 2007.
- 125 referrals to community living settings in the first six months of fiscal year 2008.

While DADS is making more referrals to community living settings, it has not provided community living arrangements to all consumers living in state schools who have expressed an interest in community living arrangements. As Table 1 shows, as of August 31, 2007, there were 644 of 4,884 (13 percent) state school consumers who had expressed a preference for an alternative living environment.⁶ DADS did not provide the consumers' preferences in 449 (70 percent) of these cases.⁷ Additionally, DADS identified 2,549 state school consumers as having “no preference” regarding their living arrangements.

Table 1

State School Consumers' Living Options Preferences (as of August 31, 2007)	
Living Option	Number and Percent of Consumers Who Expressed a Preference for the Living Option
Keep current living arrangements (state school)	1,676 (34%)
Move to alternative living arrangements	644 (13%)
No preference	2,549 (52%)
Blank - no information provided	15 (<1%)

Source: DADS Client Assignment and Registration System.

In many case files that auditors reviewed, the documentation of the community living options discussions with consumers and the documentation supporting living arrangement decisions were not complete. Documentation of the community living options discussion is important because it helps to demonstrate DADS' effort to ensure consumers are aware of the range of living options available to them and are making informed decisions about their preferred living arrangements.

⁶ Preference for alternative living arrangements does not necessarily mean a preference for community living options. It may indicate only a consumer's desire to live in a different state school or a different dormitory at the same state school. However, among case files auditors reviewed, 91 percent of the time a preference for alternative living arrangements meant a preference for community living options.

⁷ Auditors did not attempt to determine whether the decisions on community living options were appropriate. Instead, auditors reviewed DADS's documentation of its discussions with consumers regarding community living options and the documented reasons for DADS's decisions about community living options.

The documentation of DADS's decisions regarding consumers' living arrangements, especially when DADS decides not to provide community living arrangements, is important for establishing why state school staff believe consumers' needs are best met in a state school and why staff believe these needs cannot be met in the community.

Interdisciplinary Team Consideration of Consumer Preference

The Code of Federal Regulations provides for the formation of an interdisciplinary team (IDT) to assess a consumer's treatment, training, and habilitation needs and to make recommendations for services, including recommendations on whether the consumer is best served in a facility or in a community setting. The IDT must include the consumer, the consumer's legally authorized representative, and professionally qualified staff designated by the state school.

The IDT must discuss living options for each consumer at least annually.

Source: 42 CFR Part 483.440; Texas Government Code, Section 531.0244

DADS also should strengthen its monitoring of periodic discussions with consumers and community living decisions, and it should improve the accuracy of data in the automated system that records consumers' preferences.

DADS's community living options processes are significant given that, compared with other states, Texas has the largest population of consumers living in large, state institutions. From 1995 to 2006, all other states reduced the population of consumers in large (16 or more

consumers), state-run institutions by 41 percent; Texas reduced its state school population by 9 percent over the same time period.⁸

Chapter 1-A

DADS Should Improve Its Documentation of Community Living Options Discussions and Decisions

According to information in the Client Assignment and Registration (CARE) system, DADS staff conducted annual living options discussions with 99 percent of the consumers who were enrolled in state schools as of August 31, 2007.⁹ Documentation of these discussions is often not sufficient to demonstrate that DADS has made consumers as aware as possible of the range of community living options available to them, and that consumers are making informed decisions about their living arrangements.

Weaknesses in the documentation of these community living options discussions are especially significant given the fact that 52 percent of state school consumers, as of the end of fiscal year 2007, had expressed no preference in their living arrangements. Ensuring that discussions with state school consumers occur could help to enhance consumers' awareness of their options and, therefore, enable more of them to express a preference.

⁸ Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2006, Research and Training Center on Community Living, Institute on Community Integration/UCEDD; the College of Education and Human Development, University of Minnesota, August 2007.

⁹ Only 49 of 4,884 consumers enrolled in state schools on August 31, 2007, did not have a current date for a community living options discussion during calendar year 2007.

Auditors reviewed community living options discussion records in 157 case files and determined that:

- 126 of 157 (80 percent) case files did not contain all required sections, such as documentation of consumer awareness of community living options.
- 5 of 157 (3 percent) case files contained no documentation that DADS staff had discussed community living options with the consumers during the preceding 12 months.

Auditors also determined that some state school staff use “canned” or template language to document consumer responses during the community living options discussions. Specifically, auditors identified:

- Discussion records that were copied from prior years.
- Identical discussion records for different consumers.
- Discussion records largely filled out in advance of the discussions.

In addition, DADS staff who are responsible for discussing community living options with consumers are often unaware of specific living options available. State school staff who conduct community living options discussions have many responsibilities related to planning and caring for state school consumers, and they are not necessarily aware of community living options that are available to consumers.

Turnover of key state school staff may adversely affect community living options discussions, as newer staff may be less aware of the specific needs and preferences of consumers, less skilled at conducting discussions with consumers, and less aware of available community living options. In fiscal year 2007, turnover for state school direct care staff was 46 percent. (See Appendix 2 for more information on state school staff turnover.)

DADS has implemented a new process through which MRAs are responsible for conducting community living options discussions with state school consumers. This new process, which began in January 2008, may help to address the concerns noted above. The MRAs that auditors visited have set aside staff whose responsibilities are exclusively focused on the community living options process. These MRA employees may better understand and convey information about community living options to state school consumers.

DADS should improve documentation supporting decisions about consumers’ living arrangements. DADS’s decisions about consumers’ living arrangements are not always adequately supported by documentation in the case files. Of the 157 case files auditors reviewed, 46 (29 percent) did not include

documentation explaining whether the consumers' needs could be met in the community, and if not, why not. DADS's policy requires state schools to document whether consumers' needs can be met in the community, regardless of the consumers' preferred living option.

In some cases, the documentation in case files does not include a clear explanation of why DADS decided not to provide the consumers' preferred living options. Auditors reviewed 75 files associated with cases in which DADS did not provide community living options to consumers who had expressed a preference for alternate living arrangements. Of those 75 files:

- 66 (88 percent) documented the reason consumers' preferred living arrangements were not provided. The most common reason for denying consumers' preference was behavior management issues; the second most common reason was family or guardian preference.¹⁰
- 9 (12 percent) did not have clearly documented reasons for not providing community living options.

Based upon CARE data, prior to January 2008, MRAs did not consistently participate in community living option decisions. During fiscal years 2005 through 2007, mental retardation authorities participated in only 21 percent of the meetings at which state school staff made decisions about consumer living arrangements. DADS's new community living option process requires that a representative from the contracted MRA attend all such meetings.

Additionally, the process through which consumers and guardians appeal DADS's decisions about consumers' living arrangements was not formalized at the time the audit began. DADS asked state schools to develop and document appeals procedures by February 2008.

The new policies and procedures still do not address how the consumers or guardians are informed of their right to appeal decisions. This is important because consumers and guardians have not generally exercised their right to appeal decisions to deny consumer preferences for community living options. There were only two appeals to the DADS ombudsman that were related to community placement from fiscal year 2001 through fiscal year 2007. DADS should ensure that state school consumers and guardians are aware that they can appeal decisions when DADS does not provide the living options they prefer.

¹⁰ In four cases, the family members were not legal guardians of the consumer. During this audit, DADS issued instructions to the state schools to stop basing decisions about community living options on the preferences of family members who were not legal guardians of the consumers.

Recommendations

DADS should:

- Ensure that it adequately documents annual discussions with consumers regarding community living options and that staff complete all required sections of that documentation.
- Ensure that staff communicates as much information as possible to consumers about available community living options.
- Ensure that it adequately documents its reasons for not providing community living options to state school consumers who prefer to live in a community setting.
- Ensure that it documents the specific reasons the needs of a consumer cannot be met in a community setting when it denies the consumer's preference.
- Ensure that it consistently provides consumers and guardians with information regarding how to appeal decisions about community living options.

Management's Response from DADS

This Audit Report describes deficiencies in the process regarding state mental retardation facilities provision of information to consumers and families regarding community based alternatives for persons with mental retardation. The report also describes the lack of effective documentation which describes and adequately details the discussion of and sharing of community living options information with consumers and the input of consumers and families.

The report does not include information relating to DADS actions involving the redesign of the community living options process which were implemented the month following the scope of the review. Additional information is being included regarding the current status of actions undertaken to improve the process of communicating information about community living options available to persons with mental retardation.

Senate Bill 27, 80th Legislature, Regular Session, 2007, directed DADS to delegate to local mental retardation authorities (MRAs) the implementation of a Community Living Options Information Process (CLOIP) for adult residents at State Schools. In implementing the requirements of this legislation, to date, DADS has accomplished the following:

- *DADS finalized the FY 2008-09 budgets for the CLOIP by making dollars available from its appropriation even though the bill's requirements were unfunded.*
- *Performance Contract amendments with the 13 MRAs that have a State School in their local service area were executed to include requirements and performance measures for the CLOIP by November 15, 2007.*
- *CLOIP worksheets were developed, shared with and reviewed by various entities during November and December 2007, and approved for use by the CLOIP committee prior to use by MRAs.*
- *English and Spanish version of materials for use by MRA service coordinators in the education process were printed and distributed to the 13 MRAs. These include Making Informed Choices: Community Living Options Information Process and Making Informed Choices: Community Living Options Information Process for Legally Authorized Representatives of Residents in State Schools. In addition a CLOIP DVD is currently in the production phase.*
- *Throughout December 2007, training on the CLOIP was provided to over 325 staff from MRAs and State Schools.*
- *On January 2, 2008, CLOIP was fully operational in accordance with the provisions outlined in Senate Bill 27, 80th Legislature, Regular Session, 2007.*
- *The Living Options (LO) instrument was revised and implemented March 1, 2008. The revised instrument was simplified to focus on awareness, preference, services and supports the individual needs in any setting and development of action plans to support an individual to live in the preferred setting. State School staff have received training on the revised instrument including required documentation.*
- *The revised LO instrument requires the State School Interdisciplinary Team (IDT) to utilize the results of the MRA completed CLOIP worksheet and permanency planning as a starting point for the discussion of living options. Lack of awareness of options by the individual or LAR requires an action plan to increase their awareness.*
- *A number of activities are in process to increase IDT members' awareness of community living options (e.g., MRA annual training, annual provider fairs, and Qualified Mental Retardation Professional [QMRP] visits to community programs) as well as benefit from review and discussion of the results of the MRA CLOIP and permanency planning results.*

- *State School policies were revised in February 2008, to include due process related to lack of consensus outlined in DADS Continuity of Services rule. Training related to lack of consensus (train the trainer) occurred with facility QMRPs and Person Directed Planning (PDP) Coordinators in February 2008, and a follow-up in-service by conference call was completed with QMRP Coordinators in May and June 2008. The revised LO instrument includes instructions to address lack of consensus. Consumers and LARs are provided information that they can disagree with a decision and that the QMRP will document the disagreement and initiate due process.*
- *Monthly conference calls with the 13 MRAs and 13 State Schools to review progress and discuss issues are held.*
- *Through the month of April 2008, there have been 3,882 contacts by CLOIP Service Coordinators with 1,236 State School residents and/or their legally authorized representatives.*
- *Rules governing Continuity of Services – State Mental Retardation Facilities (40 TAC, Chapter 2, Subchapter F), specifically §2.274, are being amended to support the provisions of Senate Bill 27, 80th Legislature, Regular Session, 2007.*
- *A process improvement evaluation involving MRAs, State Schools, DADS administrative staff and the CLOIP Committee is scheduled for August 2008. The outcomes of this review will be used to develop, where necessary, improvements in processes, materials used to communicate information, documentation of outcomes of the process, staff training or other issues.*

Responsible Management:

Director, State Schools, Provider Services

Section Manager, Mental Retardation Authorities, Access and Intake

DADS Should Strengthen Its Monitoring of Community Living Option Discussions and Living Arrangement Decisions, and It Should Improve the Accuracy of Automated Data Regarding Consumers' Preferences

DADS should strengthen its monitoring efforts to ensure that discussions with consumers about community living options are adequate and sufficiently documented and that decisions about consumers' living arrangements are appropriate. To help strengthen its monitoring efforts, DADS also should ensure that consumer information in its CARE system is complete and consistent.

DADS should strengthen its monitoring efforts.

DADS should improve its monitoring of community living options discussions with consumers. DADS monitors community living options discussions on two levels:

- State school staff monitor community living options documentation on a quarterly basis.¹¹
- The DADS central office monitors each state school on an annual basis.

The monitoring that state schools conduct is not always sufficient to detect and correct weaknesses in community living options discussions and documentation. State schools are required to review the documentation for two community living options discussions for each qualified mental retardation professional (QMRP)¹² each quarter. However, the monitoring staff at the four state schools that auditors visited did not consistently identify weaknesses in the documentation of these discussions.

The monitoring that the DADS central office conducts produces valuable information, but to conduct this monitoring, the DADS central office relies on a sample of cases that the state schools select. These samples may not accurately represent the overall quality of community living options discussions. In addition, the DADS central office reviews only six files per state school each year, which may not be sufficient to enable DADS to conduct a thorough monitoring review.

¹¹ One state school did not begin this monitoring until fiscal year 2008.

¹² A QMRP is a doctor, nurse, or professional with specific minimum requirements in education and experience working with individuals with mental retardation. These minimum qualifications are defined in Title 42, Code of Federal Regulations, Section 483.430. Prior to the passage of Senate Bill 27 (80th Legislature), QMRPs were responsible for the community living options discussions with state school consumers. Senate Bill 27 required state schools to contract with mental retardation authorities (MRAs) and, in January 2008, MRA staff began conducting community living options discussions and participating in meetings at which DADS staff decide on consumers' living arrangements.

After the DADS central office reviews state school living options discussion records, it submits a summary report to the state school that details any deficiencies noted. DADS recommends that the review results be shared with the QMRP who participated in and documented the discussion, but this is not required.

The DADS central office also should better track cases in which state school staff classify consumers as having no preference for a specific living arrangement. State school staff reported no living arrangement preference for 2,549 state school consumers (at the end of fiscal year 2007). The DADS central office should more closely monitor these cases to ensure that community living options discussions are sufficient, and that these consumers are as aware as possible of the community living options available to them.

It also is important to note that DADS does not monitor required community living options discussions at community ICF/MR facilities. At the end of fiscal year 2007, there were 1,995 (30 percent) community ICF/MR consumers who did not have a current living options discussion date recorded in the CARE system.¹³ The new MRA-led process for community living options discussions in state schools does not apply to the community ICF/MR facilities.

The DADS central office should monitor state school decisions regarding consumers' living arrangements and the documentation supporting those decisions. Staff at the DADS central office do not formally monitor the decisions that state school staff make regarding consumers' living arrangements. As a result:

- There is no additional monitoring of situations in which consumers have expressed a preference for alternate living arrangements. Performing additional monitoring at the DADS central office could help to ensure that decisions about living arrangements for these consumers are reasonable, fair, and consistent.
- There are significant differences in the quality of documentation supporting the decisions that state schools make about consumers' living arrangements.

DADS should ensure that its CARE system contains complete and consistent information.

DADS does not adequately prevent or detect data entry errors in the CARE system that records consumer information, including information about consumer preferences for community living. For example:

¹³ In May 2008, DADS informed the community ICF/MR facilities that it would stop payments to facilities that do not document current living options discussion dates.

- Information in hard copy files does not always match records in the CARE system. For 24 of 157 (15 percent) records auditors reviewed, the preferences and/or living options recommendations recorded on the hard copy discussion sheet did not match the data recorded in the CARE system.
- The CARE system did not contain a date for the current community living options discussion for 49 (1 percent) state school consumers.
- The CARE system did not contain information about the legal status of 2,012 (30 percent) of the consumers in community ICF/MR facilities.
- The CARE system did not contain a date for the current community living options discussion for 1,995 (30 percent) consumers in community ICF/MR facilities.

DADS also cannot extract information from the CARE system for management and analysis. For example, DADS cannot generate management reports on consumers' living options preferences to ensure that those preferences are being met. Consumer preference data in the CARE system does not indicate which alternative environment the consumer/guardian prefers. For example, a living options preference of "2" in the CARE system can represent a desire to move to another home at the state school, move to another state school, or move to the community.

Recommendations

DADS should:

- Require staff at the DADS central office to formally monitor the decisions that state school staff make regarding consumers' living arrangements.
- Ensure that state schools consistently document their discussions with consumers regarding community living options.
- Expand the sample of state school files that the DADS central office reviews when it monitors discussions with consumers regarding community living options.
- Ensure that the DADS central office, and not state schools, selects the sample of cases to review when monitoring the discussions with consumers regarding community living options.
- Begin monitoring community living options discussions at community ICF/MR facilities.

- Communicate the results of monitoring to key staff at state schools and community ICF/MR facilities.
- Track more detailed information regarding each consumer's preferences regarding community living.
- Correct the weaknesses auditors identified in the CARE system to improve its monitoring of consumers' living options preferences.

Management's Response from DADS

We concur with this finding.

State School State office staff will monitor the decisions made by IDTs regarding the consumer's living arrangement. Facility quality monitoring staff will continue to review the living options discussion record. In addition, the facility quality monitoring staff will participate and provide guidance to the IDT during the meeting and training, as needed, after the meeting.

The state office sample size will be increased and state office staff will select the sample for the review.

DADS Regulatory Services will review and revise existing survey protocols to provide a more in-depth review of the individual provider's compliance with existing facility policies and procedures related to implementation of the community living options process, provide additional training on this revised process to all ICF/MR surveyor staff and implement additional monitoring in the context of the annual ICF/MR survey of each provider. If violation of existing policies and procedures are identified during the conduct of the annual survey, these will be reflected in the provider's statement of deficiencies/violations and require development and successful implementation of a plan of correction.

State School quality monitoring results will be shared with key staff including the QMRP or Staffing Coordinator who facilitates the PDP meeting. Current entry screens in the automated data system are in the process of being revised which will allow state office staff to track this information.

Currently, the CARE System does track information regarding consumer's preferences related to community living, but is limited to indicating only if the consumer is interested or not interested in exploring other living options. Detailed information is not tracked. DADS IT staff will modify the preference options to CARE Review of Living Options for community ICF/MRs. State Office Institutional Services staff will review reports generated monthly through CARE and notify providers if findings indicate inadequate documentation of consumer's preferences in the CARE system. The provider

will be required to correct the CARE data prior to the next month's report. State office Institutional Services staff will monitor the following month's report to verify that corrections were made.

Responsible Management:

Director of State Schools, Provider Services

Director, Institutional Services, Provider Services

Information Resource Manager, Information Technology

Director of Survey Operations, Regulatory Services

Target Implementation Date:

August 31, 2009 for changes to CARE and Monitoring

November 30, 2008 for Regulatory Service Monitoring

DADS and DFPS Should Strengthen Their Investigations Processes

DADS investigates most complaints and incidents at state schools and public and private community facilities in a timely manner. It should improve its investigation processes by:

- Monitoring the availability of resources for initiating investigations of lower priority complaints and incidents in a timely manner.
- Imposing penalties on licensed community ICF/MR facilities at which DADS identifies deficiencies through the investigation process.
- Performing registry checks on facility employees.

The Department of Family and Protective Services (DFPS) investigates allegations of abuse, neglect, and exploitation at state schools and government-run community facilities. DFPS assesses most allegations properly and investigates most cases in a timely manner, but it should improve its quality assurance processes to ensure allegations are properly assessed, disposed of, and investigated in a timely manner.

Chapter 2-A

DADS Should Strengthen Its Processes for Investigating Complaints and Incidents at State Schools and Public and Private Community Facilities

DADS should improve the timeliness of initiating investigations of lower priority complaints and incidents, while continuing its timely response to the highest priority complaints and incidents.

DADS Priority Classifications for Complaints and Incidents

DADS classifies complaints and incidents as follows:

- Priority 1: Imminent danger to health and safety requiring immediate response. Investigations must be initiated within 24 hours.
- Priority 2: Serious injury, but immediate threat was removed. Investigations must begin within 14 calendar days.
- Priority 3: Non-serious injury, unsafe dietary practices. Investigations must be initiated within 45 calendar days.

Source: *Complaint and Incident Intake Process Handbook*, Section 8.

DADS's central office staff assigns priority levels to complaints and incidents (see text box for additional details). Of the 4,497 highest three priority complaints and incidents DADS referred to regional investigators between September 1, 2005, and December 31, 2007:

- 554 (12 percent) were classified as priority 1. Regional investigators initiated investigations of 99 percent of those complaints and incidents in a timely manner.
- 3,637 (80 percent) were classified as priority 2, and only 59 percent of investigations were initiated in a timely manner.
- 306 (7 percent) were classified as priority 3, and only 75 percent of those investigations were initiated in a timely manner.

Investigators are primarily dedicated to priority 1 complaints and incidents because those complaints and incidents are considered the most serious. This limits the resources that are available to ensure that investigations of priority 2 and 3 complaints and incidents are conducted in a timely manner.

Additionally, the automated system that DADS uses to track investigations (the Compliance, Assessment, Registration, and Enforcement System, or CARES) does not capture the time of day that an investigator initiated an investigation, and there is no independent way to verify the date entered by the investigator. However, auditors compared information in CARES to available hard copy source data at the state schools and did not identify incorrect dates in CARES.¹⁴

DADS should ensure that quality assurance reviewers do not process and review their own work.

DADS quality assurance staff review complaints and incidents to ensure that intake staff assign the correct priority level to those complaints and incidents. Between September 1, 2005, and December 31, 2007, there were 6,253 complaints and incidents processed by intake staff, and 6,869 (91 percent) were reviewed by a quality assurance reviewer. The remaining 616 (9 percent) were processed and reviewed by the same person. CARES does not track the original priority assigned to the complaint or incident, which impedes management's ability to determine whether intake staff need more training on assigning priority levels to complaints and incidents.

DADS should ensure that it imposes penalties on the licensed community ICF/MR facilities at which it identifies noncompliance with state rules and Medicaid requirements.

DADS is authorized to impose penalties when licensed community ICF/MR facilities do not correct deficiencies. DADS imposes penalties on facilities depending on the type of noncompliance identified and the number of times the facility was cited for the same violation. DADS does not impose a penalty if the violation is corrected, regardless of the number of times the facility was cited for the same violation. Between September 1, 2005, and February 5, 2008, DADS initiated the process to impose 89 administrative penalties at 73 facilities. Two facilities each subsequently paid \$5,000 in penalties; a third facility was assessed a \$38,500 penalty, but as of May 5, 2008, collection efforts for that penalty were still pending. Imposing penalties more regularly may encourage facilities to comply with rules and requirements.

DADS should ensure that facilities do not hire individuals with histories of abuse, neglect, or exploitation.

Facilities cannot employ persons listed as unemployable in the Nurses Aide Registry or in the Employee Misconduct Registry. They also must terminate

¹⁴ Hard copy source data was not available for the full population.

the employment of staff who become listed in these registries after they are hired.

Auditors identified 10 employees (including 9 direct care workers) at state schools listed as unemployable in the Nurse Aide and Employee Misconduct Registries due to acts of abuse, neglect, or exploitation.¹⁵ After auditors brought this to DADS's attention, DADS terminated these individuals' employment. It is important that DADS routinely check the registries for matches with current employees, not just at the time of hire, because individuals are listed as unemployable in the registries only after appeals are exhausted.

State schools and community ICF/MR facilities vary in the number of complaints and incidents.

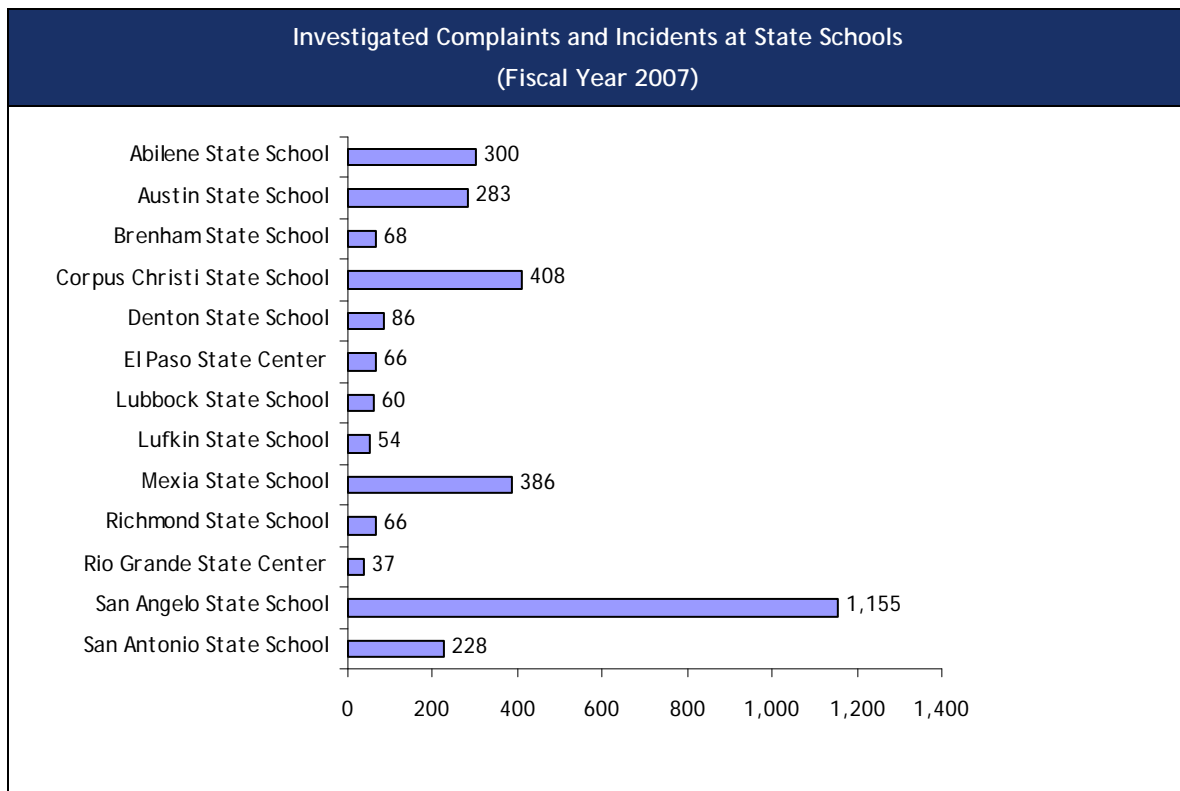
According to CARES data, 61 percent of complaints and incidents investigated in fiscal year 2007 originated in three state schools: San Angelo, Mexia, and Corpus Christi. It is important to note that these three state schools serve 79 percent of consumers who were committed by a court in the course of a criminal proceeding (criminal commitments) under Article 46 of the Texas Code of Criminal Procedure.

The San Angelo State School accounted for 36 percent of complaints and incidents and provides services to 6 percent of the total state school population. Compared with other state schools, it has the highest percent of criminal commitments (30 consumers, 10 percent of the school census), and those consumers have the most significant behavior needs. By contrast, the Denton State School has 13 percent of the total state school population, but it accounted for only 3 percent of the complaints and incidents. Denton State School has fewer than 5 criminal commitments. (See Appendix 3 for demographic information regarding state schools.)

¹⁵ As of February 2008, state schools have more than 11,000 employees, more than 7,200 of whom are direct care staff.

Figure 1 shows the numbers of investigated complaints and incidents at each state school in fiscal year 2007.

Figure 1



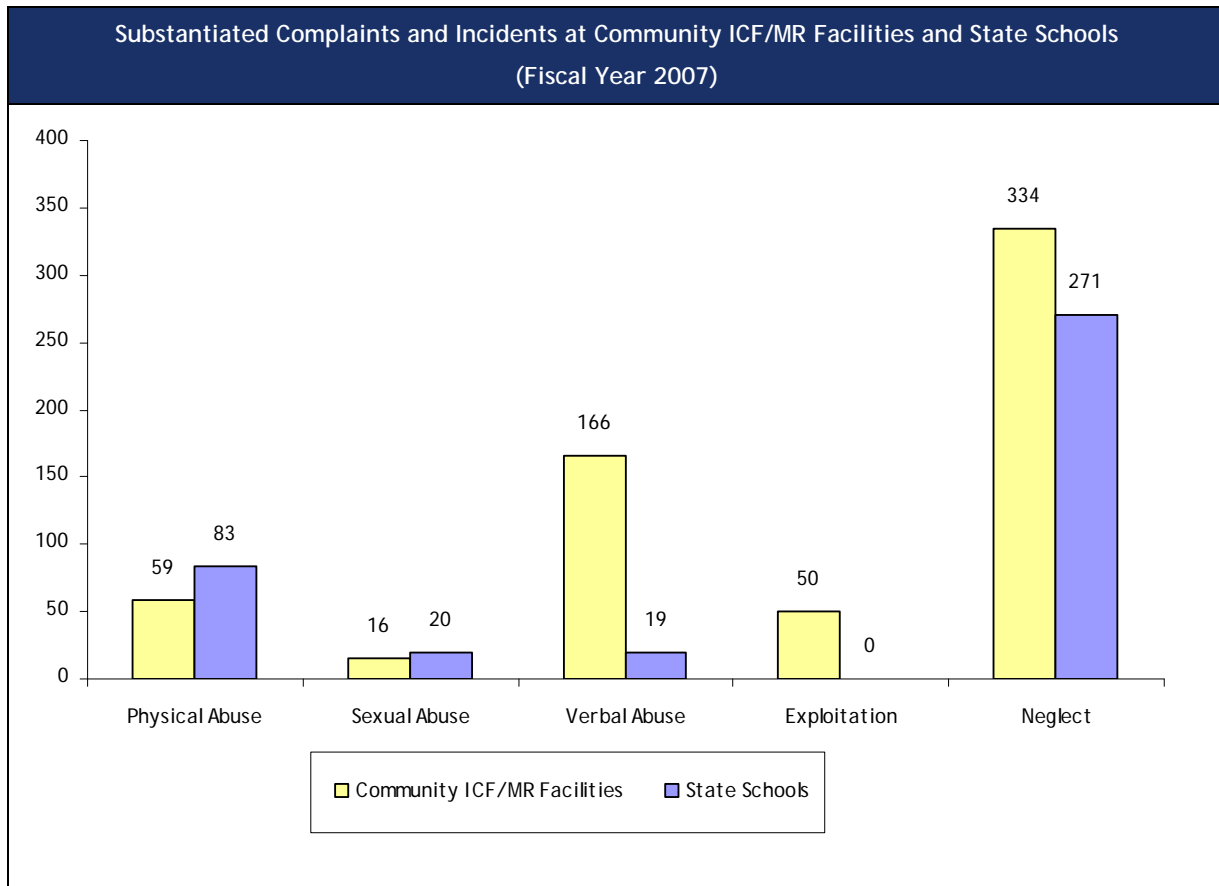
Source: CARES data for fiscal year 2007.

State schools and community ICF/MR facilities vary in the number of substantiated complaints and incidents.

According to CARES data, 692 of 3,197 complaints and incidents (22 percent) were substantiated in state schools, and 1,077 of 3,514 complaints and incidents (31 percent) were substantiated in community ICF/MR facilities in fiscal year 2007.

Figure 2 summarizes the substantiated complaints and incidents for abuse, neglect, and exploitation at community ICF/MR facilities and state schools in fiscal year 2007.

Figure 2



Source: CARES data for fiscal year 2007.

The total number of substantiated complaints and incidents for physical abuse is slightly higher at state schools than community ICF/MR facilities, but the total number of substantiated complaints and incidents for neglect is slightly higher at community ICF/MR facilities than at state schools. However, the total number of substantiated complaints and incidents for verbal abuse and for exploitation is significantly higher at community ICF/MR facilities than at state schools.

Recommendations

DADS should:

- Ensure that it initiates investigations of priority 2 and 3 complaints and incidents in a timely manner.
- Update its policies and procedures to ensure that staff does not process and review their own assignment of complaint and incident priority levels.
- Enhance data collection to gain the ability to document and analyze the priority levels assigned to complaints and incidents.
- Impose penalties to encourage licensed community ICF/MR facilities to comply with state rules and Medicaid requirements.
- Ensure it consistently performs registry checks on new and tenured facility employees.

Management's Response from DADS

DADS generally agrees with this issue.

DADS Regulatory Services continues to focus considerable and ongoing attention to reducing the number of investigations of complaints and incidents not initiated within prescribed timeframes, specifically those categories as needing to be initiated within 14 days (priority 2) and within 30 days (priority 3). We consistently initiate all investigations required to be initiated within 24 hours (priority 1) within the prescribed timeframes. In FY2007, DADS averaged 80 investigations in ICF/MR facilities per week that were not initiated within prescribed timeframes. In FY2008 to date, the average number of investigations initiated outside prescribed timeframes has averaged 43 per week, a reduction 46%.

The primary contributing factor to the number of late investigations is turnover of qualified ICF/MR surveyors. Through significant and ongoing efforts to address turnover in a positive manner, we have seen a reduction in turnover rates across the Regulatory Services program totaling approximately 6% over the past year. However, we continue to experience some increasing turnover in the ICF/MR program based on increasing competition for trained and qualified professionals in the field.

DADS Regulatory Services will continue to develop and implement initiatives to reduce the average number of days to initiate an investigation in ICF/MR facilities with the goal of initiating all investigations within prescribed timeframes, however, given resource challenges, our emphasis will remain on

ensuring timely investigation of priority 1 complaints, due to the nature of these and their importance related to the individuals who receive our services.

Intake and quality assurance staff adequately possesses the knowledge, skills and abilities commensurate with intake job duties and responsibilities. Standardized policies and procedures and quality assurance and performance improvement activities are in place to ensure the timely triage, management and correct prioritization of complaints and provider self-reported incidents. Deviations from standard performance expectations are identified, analyzed and handled immediately.

Quality assurance staff is responsible to ensure the priority assigned is correct and that details documented in the intake meet the Center for Medicare and Medicaid Services (CMS) State Survey Agency's (SA's) performance standards for prioritizing complaints and provider self-reported incidents. Existing procedures and controls intended to ensure that all intakes received and triaged by intake staff is reviewed by quality assurance staff are appropriate and ensure DADS meets or exceeds performance thresholds as evidenced by CMS reviews.

Current quality monitoring and process improvement initiatives are more than adequate to ensure management's ability to identify compliance with policies and procedures for the triage, management and prioritization of intakes. Concurrent reviews of all intakes will continue to be conducted to assess whether the priority assigned by intake staff to the final priority assigned based on quality assurance staff's review requires an individual performance plan and further training. Retrospective audits of select indicators, including prioritization of intake, will continue to be performed to verify compliance by intake and quality assurance staff with prioritization guidelines. Quality monitoring activities and initiatives will continue to be reviewed and assessed on an on-going basis to determine effectiveness for measuring performance and staff development initiatives and ensure improvement is maintained.

DADS may impose an administrative penalty against a licensed ICF/MR if the facility has violated the licensing requirements. Under prior state law, unless the violation resulted in serious harm to or death of a resident or constituted a serious threat to the health and safety of a resident, DADS was not authorized to impose an administrative penalty if the facility corrected the violation within forty-five days of the date DADS notified it that a penalty was recommended. Effective September 1, 2007, DADS was granted authority to impose an administrative penalty even if the facility corrected the violation not only when the violation resulted in serious harm to or death of a resident or constituted a serious threat to the health and safety of a resident, but also when the violation substantially limits the facility's capacity to provide care.

DADS is currently in the process of adopting rules to enact this new authority. We anticipate that the rules will take effect no later than January 2009. We anticipate that this new authority may result in more opportunities for DADS to impose administrative penalties against licensed facilities.

Although DADS has been granted additional authority to impose administrative penalties against an ICF/MR without offering the facility to opportunity to avoid the penalty by correcting the violations, the statute still retains a cap on the total amount of all administrative penalties that DADS may impose, regardless of the number of days the facility violated the licensing requirements. Pursuant to THSC section 252.065(b), the total amount of administrative penalty that may be assessed against a licensed facility may not exceed \$5,000 for a facility with fewer than 60 beds, or \$25,000 for a facility with 60 beds or more.

DADS has implemented a process, and a rule is in development stage, requiring registry checks at the time of hire and annually thereafter on all state school employees to ensure that an individual who works for DADS has not been added to a registry as revoked or unemployable after the initial time of hire registry check. The agency has also put in place a system to run a match of individuals added to the registries against the state school employee database when DADS is notified of their revoked or unemployable status to ensure the individual is not a current state school employee.

AccessHR staff check the Employee Misconduct Registry and the Nurse Aid Registry for all applicants who are selected to become employees at State Schools. DADS has implemented a process in which we are notified when an individual has been added to the Employee Misconduct Registry or the Nurse Aid Registry. DADS checks the employee database to ensure that the names provided are not current state school employees.

A rule is in the development stage that will, in addition to the pre-hire check, require annual registry checks on all state school employees to ensure that individuals who work for DADS have not been added to a registry after the initial hire date.

Responsible Management:

*Coordinator, Quality Management, Consumer Rights and Services
Director of Survey Operations, Regulatory Services
Director of Enforcement, Regulatory Services
Manager, Executive and Staff Operations, Chief Operating Officer*

Target Dates:

June 30, 2008 for Policies and Procedures

January 31, 2009 for Rules

On-going Process for Regulatory Services

DFPS Should Strengthen Its Processes for Investigating Allegations of Abuse, Neglect, and Exploitation at State Schools and Government-run Community Facilities

DFPS investigates reports of abuse, neglect, and exploitation at facilities operated by public agencies, including state schools, state centers, community mental health/mental retardation centers, and mental retardation authorities. It receives allegations of abuse, neglect, and exploitation through its 24-hour Statewide Intake Call Center (SWI)¹⁶, and regional investigators investigate the allegations that SWI processes.

DFPS processes most allegations accurately and completes most investigations in accordance with its rules, but it should improve controls to ensure that it properly assesses, investigates, and disposes of allegations in a manner that promotes the safety of consumers.

DFPS should ensure that it contacts consumers and facilities in a timely manner.

DFPS is required to make face-to-face contact with consumers who are alleged victims of abuse, neglect, or exploitation in a timely manner. Investigators must make contact based upon the priority level assigned to the allegation. According to data in DFPS's Information Management Protecting Adults and Children in Texas (IMPACT) system, from September 1, 2005,

DFPS Priority Classifications for Allegations of Abuse, Neglect, and Exploitation

DFPS classifies allegations of abuse, neglect, and exploitation as follows:

- Priority 1: Serious physical or emotional harm. Consumer contact made within 24 hours.
- Priority 2: Non-serious physical injury or emotional harm; exploitation. Consumer contact made within 3 calendar days.
- Priority 3: Incident occurred more than 30 days from the date of the report. Consumer contact made within 7 calendar days.

Source: Title 40, Texas Administrative Code, Chapter 711.

through November 30, 2007¹⁷, DFPS made 6,622 of 7,592 (87 percent) of face-to-face contacts in a timely manner. Of the 970 records remaining, 720 face-to-face contacts were not recorded in IMPACT. According to DFPS, most of the 720 contacts not recorded in IMPACT were allegations referred to the facility for follow up and were not investigated by DFPS.

DFPS does not always make face-to-face contact for allegations that it initially assigns to investigators but subsequently refers to a facility for follow up. For 16 of 82 (20 percent) of investigated cases that auditors tested, DFPS referred the case to a facility; in 13 of those cases, there was no contact with the consumer. DFPS policy is not clear whether face-to-face contact is required for cases referred to the facility.

DFPS also is required to notify facilities within one hour of the receipt of an allegation of abuse, neglect, or exploitation. According to IMPACT data,

¹⁶ The Statewide Intake Call Center also receives reports of abuse, neglect, and exploitation for the Adult Protective Services, Child Protective Services, Residential Child Care Licensing, and Day Care Licensing programs.

¹⁷ For DADS, operational data was available through December 31, 2007. For DFPS, a dataset of completed cases investigated was available through November 30, 2007.

from September 1, 2005, through November 30, 2007, DFPS made 6,677 of 7,592 (88 percent) facility contacts in a timely manner. Of the remaining 915 (12 percent) allegations for which contact was not made in a timely manner, 522 (57 percent) contained no record in IMPACT of the date and time that DFPS notified the facility.

Auditors noted that DFPS did not notify the facility in a timely manner in only 6 percent of all allegations tested. DFPS maintains documentation of some facility notifications in hard copy case files that auditors used to determine compliance with DFPS policies and procedures. Occasionally, SWI staff is unable to process an allegation within one hour, which causes delays in notification to the facilities.

DFPS should conduct investigations in a timely manner.

DFPS is required to complete investigations within 14 calendar days for priority 1 and priority 2 allegations, and within 21 calendar days for priority 3 allegations.

According to IMPACT data, from September 1, 2005, through November 30, 2007, DFPS completed 6,605 of 7,592 (87 percent) investigations in a timely manner. Of the remaining 987 (13 percent) investigations that were not completed in a timely manner:

- 205 (21 percent) were classified as priority 1.
- 764 (77 percent) were classified as priority 2.
- 18 (2 percent) were classified as priority 3.

According to DFPS, some of these 987 cases were approved an extension¹⁸ to the original case completion deadline. Auditors reviewed 104 completed case investigations and 1 case was completed one day late. Of the 104 cases reviewed by auditors, 9 were approved an extension to the original case completion deadline, and 1 extension (11 percent) was approved for a reason not allowed by policy.

In addition, 9 of 66 (14 percent) preliminary investigation reports that auditors tested were not completed in a timely manner or were not completed at all. Title 42, Code of Federal Regulations, Section 483.420 (d)(4), requires that investigations must be reported to the facility within five working days. Failure to comply with this requirement could result in a loss of funding to the State; however, DADS management stated this has not occurred.

¹⁸ DFPS case investigation supervisors may approve extensions to required deadlines when a) law enforcement requests a temporary delay; b) evidence processing requires additional time; c) witnesses are not available or not cooperative; d) additional witnesses are identified; or e) other factors beyond investigators control.

DFPS also has a quality assurance team for its investigation function. According to a May 2008 DFPS internal audit report, the quality assurance team's processes could be improved by:

- Formalizing documentation of the quality assurance review process.
- Standardizing the Quality Assurance Unit (QAU) training curriculum.
- Ensuring appeals outcomes are changed in the QAU databases.
- Re-evaluating scoring criteria for review attributes marked as "Not Applicable."

DFPS should ensure that it makes accurate initial assessments of allegation priorities.

Although 60 of 72 (83 percent) initial allegation assessments tested were accurate, DFPS does not always ensure the accuracy of its initial assessments of incoming allegations of abuse, neglect, or exploitation. SWI assigns priority levels to incoming allegations of abuse, neglect, or exploitation. When an allegation does not meet the reportable conditions¹⁹ required for investigation, SWI refers the call to another state or local agency or refers it to the facility.

The initial priority assessments for 12 of 72 (17 percent) allegations that auditors tested were incorrect, and 2 of 21 (10 percent) allegations initially assessed as not meeting reportable conditions were erroneously referred to the facility instead of investigated by DFPS. DFPS cannot ensure the safety of consumers when cases are referred to the facility prior to initiating an investigation because alleged perpetrators may still be in contact with the alleged victim.

To mitigate weaknesses in its allegation assessment process, DFPS has a Quality Assurance Team (QAT) responsible for reviewing and scoring two allegations per employee per month processed by SWI. IMPACT generates a random sample of allegations for review that includes one allegation classified as "clearly not reportable" and one allegation from each of the five program areas.

The number of reviews performed on allegations related to the ICF/MR program is limited. The QAT primarily relies upon complaints regarding initial assessments that are forwarded to it from regional investigators, but incorrect priority assessments are not consistently forwarded to the QAT. Between June 1, 2007, and February 29, 2008, SWI received approximately 3,905 allegations for the ICF/MR program. Of those 3,905 allegations, 82 (2

¹⁹ DFPS does not investigate consumer rights issues or medical issues.

DFPS Types of Allegations

Abuse: Negligent/willful infliction of injury resulting in physical or emotional harm.

Neglect: Failure to provide services, including those necessary to avoid physical or emotional harm or pain.

Exploitation: Illegal/improper act or process for monetary or personal benefit, profit, or gain without informed consent.

percent) were reviewed by the QAT.²⁰ For the same time period, there were 215,805 allegations received that were assessed as “clearly not reportable.” The QAT reviewed 2,586 of those allegations (1 percent), but auditors are unable to determine how many of these were for the ICF/MR program. DFPS is unable to track allegations that do not meet reportable conditions at the program level, which hinders its ability to identify problems that may exist across programs.

Most allegations investigated involve physical abuse, neglect, or emotional abuse.

In fiscal year 2007, DFPS investigated 3,470 cases in which the primary allegation was physical abuse, neglect (including medical and physical neglect), or emotional abuse. Table 2 summarizes the allegations and overall disposition of DFPS cases investigated at state schools in fiscal year 2007.

Table 2

Summary of Allegations that DFPS Investigated in Fiscal Year 2007						
Primary Allegation	Overall Disposition					Totals
	Confirmed	Unconfirmed	Unfounded	Inconclusive	Referrals	
Emotional Abuse	33	310	21	39	131	534
Exploitation	2	11	2	3	18	36
Neglect	169	327	13	49	274	832
Physical Abuse	138	1,286	121	126	112	1,783
Sexual Abuse	4	201	49	11	20	285
Totals	346 (10%)	2,135 (61%)	206 (6%)	228 (7%)	555 (16%)	3,470(100%)

Source: DFPS Information Management Protecting Adults and Children of Texas (IMPACT) system data for fiscal year 2007.

Of the 3,470 allegations that DFPS investigated, 1,807 (52 percent) were at the San Angelo, Mexia, and Corpus Christi state schools. These three state schools had 60 percent of all emotional abuse allegations, 50 percent of all physical abuse allegations, and 43 percent of all neglect allegations. Priority 1 allegations investigated at these three state schools represented 58 percent of all priority 1 cases investigated during the same period.

²⁰ According to DFPS, the QAT does not review allegations received through the Internet, since they account for 1 percent of all allegations received.

Table 3 summarizes the allegations that DFPS investigated at state schools in fiscal year 2007.

Table 3

Summary of Allegations that DFPS Investigated in Fiscal Year 2007					
State School	Allegation Priority Levels				Totals
	1	2	3	4 ^a	
Abilene State School	42	182	9		233
Austin State School	23	166	9		198
Brenham State School	10	103	2		115
Corpus Christi State School	127	378	15	1	521
Denton State School	24	144	11		179
El Paso State Center	8	43	5		56
Lubbock State School	35	187	11	1	234
Lufkin State School	16	86	8		110
Mexia State School	78	419	16		513
Richmond State School	17	65	7		89
Rio Grande State Center	18	101	9		128
San Angelo State School	147	597	28	1	773
San Antonio State School	61	255	5		321
Totals	606	2,726	135	3	3,470
^a There is no priority level 4, but DFPS erroneously assigned priority level 4 to three allegations.					

Source: DFPS Information Management Protecting Adults and Children of Texas (IMPACT) system allegation data for fiscal year 2007.

Recommendations

DFPS should:

- Record all face-to-face contacts made by investigators in IMPACT.
- Clarify requirements for face-to-face contact in cases referred to the facility.
- Record facility notification date and time in IMPACT.
- Approve extensions to case investigation deadlines for an allowable reason in accordance with policy.
- Complete preliminary investigations reports in a timely manner.

- Increase the number of reviews performed by the Statewide Intake QAT for calls that are not investigated by DFPS and track these calls at the program level.
- Forward all incorrect allegation assessments to the QAT for review.

Management's Response from DFPS

Recommendation: Record all face-to-face contacts made by investigators in IMPACT.

Management's Response:

DFPS agrees with the recommendation. APS MH & MR Investigations policy requires a timely initial face-to-face contact with alleged victims of abuse, neglect or exploitation in all investigations. DFPS will, through participation in the agency's data integrity project, as well as through its own "document as you go" initiative, increase monitoring of timeliness and accuracy of documentation, especially of contacts closely related to client welfare.

Responsible Party: APS Director of Policy and Performance Management

Estimated Completion Date: January 1, 2009

Recommendation: Clarify requirements for face-to-face contact in cases referred to the facility.

Management's Response:

DFPS agrees with the recommendation. DFPS will revise policy to express the principle, already embodied in practice and performance management, that face-to-face contacts with alleged victims are not necessary when an allegation is not accepted for investigation and is instead referred to the facility.

Responsible Party: APS Director of Policy and Performance Management

Estimated Completion Date: October 1, 2008

Recommendation: Record facility notification date and time in IMPACT.

Management's Response:

DFPS agrees with the recommendation. DFPS believes that timely notification to the facilities occurs in more than 95% of cases. However, some notifications may not be documented in IMPACT when staff refer the case to the facility as an administrative, rights or clinical issue, or is closed as a duplicate of other another reports. DFPS will revise policy to state clearly

that when notification to the facility occurs, it must be documented in IMPACT.

Responsible Party: APS Director of Policy and Performance Management

Estimated Completion Date: October 1, 2008

Recommendation: Approve extensions to case investigation deadlines for an allowable reason in accordance with policy.

Management's Response:

DFPS agrees with the recommendation. Policy already states clearly that workload is not sufficient justification for not completing an investigation in 14 days or for seeking an extension. DFPS will continue to monitor compliance with policy in this area and will explore new options for doing so in the APS quality assurance process.

Responsible Party: APS Director of Policy and Performance Management

Estimated Completion Date: October 1, 2008

Recommendation: Complete preliminary investigations reports in a timely manner.

Management's Response:

DFPS understands the importance of DADS meeting its obligations under ICF-MR regulations and agrees with the recommendation. DFPS will continue to monitor compliance with preliminary report submission timeliness through systematic casereading and provide continuous feedback to regional managers. It will also seek to have the preliminary report form placed in IMPACT, which will allow DFPS to monitor timeliness of preliminary report submissions through the agency's Data Warehouse.

Responsible Party: APS Director of Policy and Performance Management

Estimated Completion Date: October 1, 2008

Recommendation: Increase the number of quality assurance reviews for allegations that it routes to another state or local agency or to a facility and track these allegations at the program level.

Management's Response:

DFPS agrees with the recommendation. Statewide Intake will require supervisors to complete call reviews for each program along with Information and Referral reviews when doing random monthly reviews for their workers (beginning July 2008.) This will be in addition to call reviews done by the Statewide Intake Quality Assurance Team. Quality Assurance is scheduled to add a position in September 2008, and the primary duty will be call reviews. Additional call reviews will not be possible until more QA staff is added. Currently, Statewide Intake has no way to accurately track Information and Referral calls related to each program. Statewide Intake will work with Management Reporting and Statistics and our computer operating system team to explore the feasibility of a way to track Information and Referral calls for each program that does not add to processing time for intake workers.

Responsible Party: Director of Statewide Intake

Estimated Completion Date: September 1, 2009

Recommendation: Forward all incorrect allegation assessments to the quality assurance team for review.

Management's Response:

APS agrees with the recommendation. APS will re-emphasize, through a procedural memo distributed statewide, through unit meeting trainings and through an announcement in the program newsletter, the importance of using the Statewide Intake complaint mailbox to alert the quality assurance team of incorrect priority assignments, as well as of other intake errors.

Responsible Party: APS Director of Policy and Performance Management

Estimated Completion Date: October 1, 2008

A note on differences between DFPS and SAO compliance percentages:

As measured by internal program measures, APS performance for timely notification of facilities, for timely initial face-to-face contact with alleged victims and timely completion of final (14-day) reports is much better than indicated by the SAO analysis.

(a) Timely contact with alleged victims is an internal APS MH & MR investigations performance measure. Investigators and their supervisors are evaluated on it every year. Data for the internal performance measure are

drawn from DFPS Warehouse Reports, using data from IMPACT. Compliance with requirements for prompt face-to-face contact with alleged victims was 97.59% for the period starting September 1, 2005 and ending November 30, 2007. This level exceeds internal benchmarks for performance. The APS quality assurance team also measures face-to-face contact timeliness in systematic casereading. Scoring for that item shows compliance also above internal benchmarks, with face-to-face contact requirements was 96.71% for 2097 cases read from September 1, 2006 (when casereading for MH & MR investigations began) to November 30, 2007. Both the casereading and the warehouse reports exclude from compliance calculations cases that are referred to the facility as administrative, rights or clinical issues, or are found to be duplicates of other reports. Face-to-face contact with the alleged victim is usually not required to determine whether an allegation comes under APS jurisdiction. The SAO analysis did not exclude these referred and duplicate cases.

(b) Internal tracking of timeliness of facility notification through systematic casereading also excludes referred and duplicate cases. From September 1, 2006 (when systematic reading of APS MH & MR cases began) to November 30, 2007, casereading scores show compliance with notification requirements to have been at 96.71% for 2097 cases read. The SAO analysis did not exclude referred and duplicate cases.

(c) Timely completion of final investigation reports is an APS MH & MR investigations performance measure. Investigators and their supervisors are evaluated on it every year.

Compliance with requirements for timely completion of reports was 96.11% for the period September 1, 2005 to November 30, 2007. The APS quality assurance team also measures contact timeliness in systematic casereading. Scoring for that item shows compliance with face-to-face contact requirements to have been at 95.95% for 2097 cases read from September 1, 2006 (when casereading for MH & MR investigations began) to November 30, 2007. Both measures exceed internal benchmarks for performance. Internal program measures exclude cases in which an extension was granted as allowed by policy, and the SAO analysis includes them.

Costs at State School and Community ICF/MR Facilities

Unaudited Cost Information

The analysis in this chapter relies primarily on unaudited cost information from cost reports that providers submitted to the Health and Human Services Commission (HHSC). While these cost reports are subject to audits from the HHSC Office of the Inspector General, a January 2008 HHSC internal audit identified significant weaknesses in the cost report auditing function. Auditors also used vendor drug and acute care claims information for community ICF/MR consumers provided by HHSC.

The average daily cost to serve a consumer in a state school in fiscal year 2006 was \$335.63. The average daily cost to serve a consumer in a community ICF/MR facility in fiscal year 2006 was \$165.17.²¹ State schools are more expensive than community ICF/MR facilities primarily because of higher costs in three categories: direct care staffing, administration, and comprehensive medical care.

Table 4 shows the cost categories that comprise the daily payment rates and how much of those rates can be attributed to each cost category.

Table 4

Comparison of Daily Per Consumer Costs at Community ICF/MR Facilities and State Schools (Fiscal Year 2006)		
Cost Category	Community ICF/MR Facility Daily Rate ^a	State School Daily Rate
Direct care staffing costs	\$ 62.59	\$130.90
Administrative costs	39.43	84.72
Comprehensive medical costs ^b	14.28	49.01
Indirect resident care costs	2.53	15.47
Dietary costs	6.90	14.98
Facility and operations costs	17.89	22.43
Direct care services costs	8.95	11.26
Other costs - regulation, etc.	4.60	2.57
Other resident care costs	3.18	2.50
Transportation costs	4.82	1.79
Total Daily Rate	\$165.17	\$335.63
<p>^a Auditors calculated a weighted average rate for community ICF/MR facilities using consumer level-of-need (LON) information and the payment rate schedule for fiscal year 2006 (see Appendix 4). Auditors estimated costs by cost category as a percentage of the daily payment rate. DADS does not pay facilities by individual cost category; instead, it pays a single daily rate.</p> <p>^b Comprehensive medical costs for community ICF/MR facilities reflect vendor drug and acute care claims information provided by the Health and Human Services Commission.</p>		

Source: Unaudited information from cost reports submitted by community ICF/MR facilities and state schools for fiscal years 2006. The Health and Human Services Commission raised payment rates to community providers in fiscal years 2007 and 2008 (see Appendix 4 for more information).

²¹ Auditors used fiscal year 2006 as the period for comparison because the fiscal year 2006 community ICF/MR facility cost reports were the most recent reports available at the time of the audit.

State schools have higher costs primarily because they:

- Maintain significantly higher staff-to-consumer ratios than community ICF/MR facilities.
- Allocate significantly more administration costs from the central office to facilities.
- Deliver most health care and pharmacy services on campus.

Differences in the health status of consumers in state schools and community ICF/MR facilities are not currently measurable because health status codes are tracked only for state school consumers. Differences in functional levels of need among consumers in state schools and consumers in community ICF/MR facilities are not significant factors in explaining higher costs at state schools.

Direct care staffing costs are higher in state schools than in community ICF/MR facilities.²²

The biggest single factor explaining the higher costs at state schools is the cost of direct care staffing. In fiscal year 2006, direct care staffing costs per consumer at state schools were more than twice the direct care staffing costs per consumer at community ICF/MR facilities (see Table 4 above). State schools have higher direct care staffing costs because they (1) maintain higher staff-to-consumer ratios than community ICF/MR facilities and (2) pay for more benefits for the direct care staff.

State school staffing ratios are almost double the staffing ratios in community ICF/MR facilities. In fiscal year 2006:

- State schools provided 10.4 hours of direct care staffing per consumer per day.²³
- Community ICF/MR facilities provided 5.6 hours of direct care staffing per consumer per day.
- Among community ICF/MR facilities, small facilities (8 beds or fewer) have the highest staffing ratios, providing 6.2 hours of direct care staffing per consumer per day in fiscal year 2006. Medium facilities (9 to 13 beds) and large facilities (14 or more beds) provided 4.3 hours and 4.5 hours, respectively, in fiscal year 2006.

²² Direct care staff includes nurses, qualified mental retardation professionals (QMRP), direct care workers, and direct care supervisors.

²³ State schools varied from 9.2 hours to 11.9 hours of direct care staffing per resident per day.

- The differences in staffing ratios are becoming more significant in fiscal year 2008, as the state schools fill an additional 1,200 direct care positions.

The cost of employee benefits for direct care staff is higher in state schools. In fiscal year 2006, benefits for state school direct care staff cost the State approximately \$23 per state school consumer per day. In community ICF/MR facilities, the daily cost of benefits for direct care staff was approximately \$5 per consumer per day.

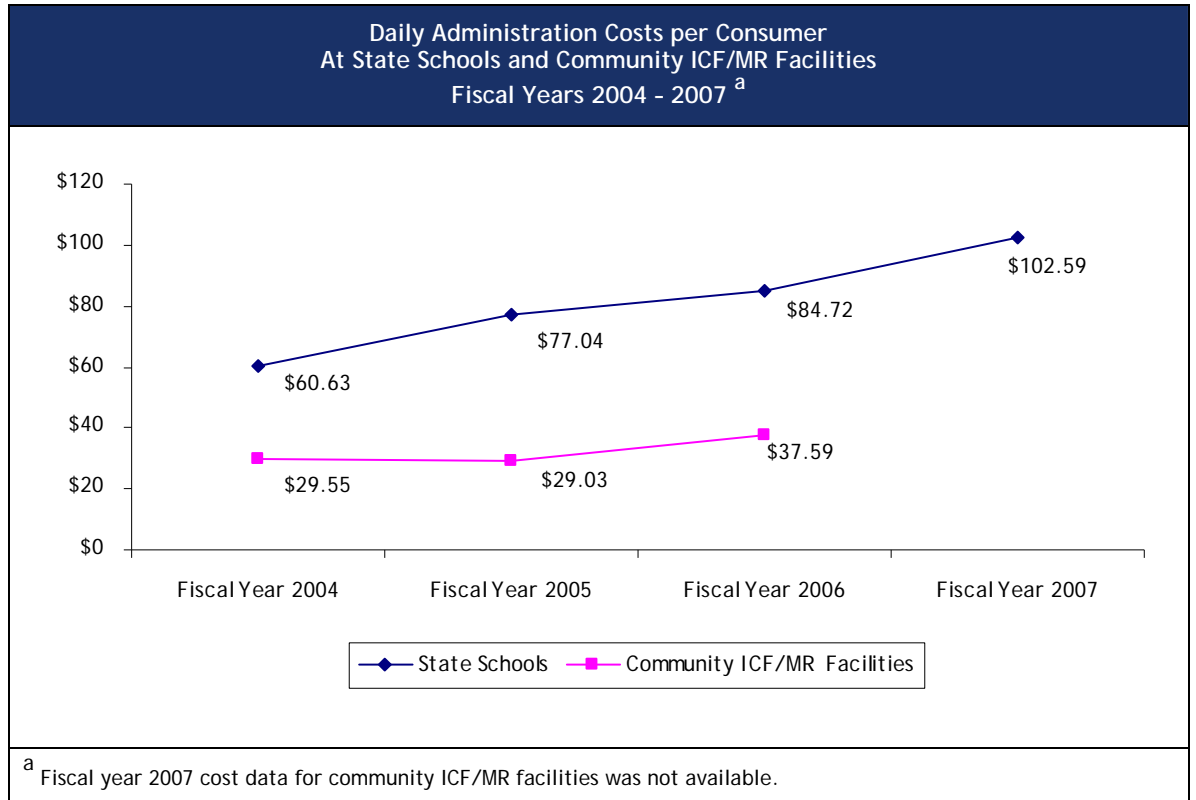
Administration costs are higher in state schools than in community ICF/MR facilities.

In fiscal year 2006, state school administration cost more than twice as much as administration at community ICF/MR facilities. State school total administrative costs increased almost 70 percent²⁴ from fiscal year 2004 to fiscal year 2007.

As Figure 3 on the next page shows, in fiscal year 2004, the daily administrative cost per state school consumer was \$60.63. In fiscal year 2007, the daily administrative cost per consumer was \$102.59. Community ICF/MR facilities' administrative costs rose from \$29.55 in fiscal year 2004 to \$37.59 in fiscal year 2006.

²⁴ 54 percent when adjusted for inflation.

Figure 3

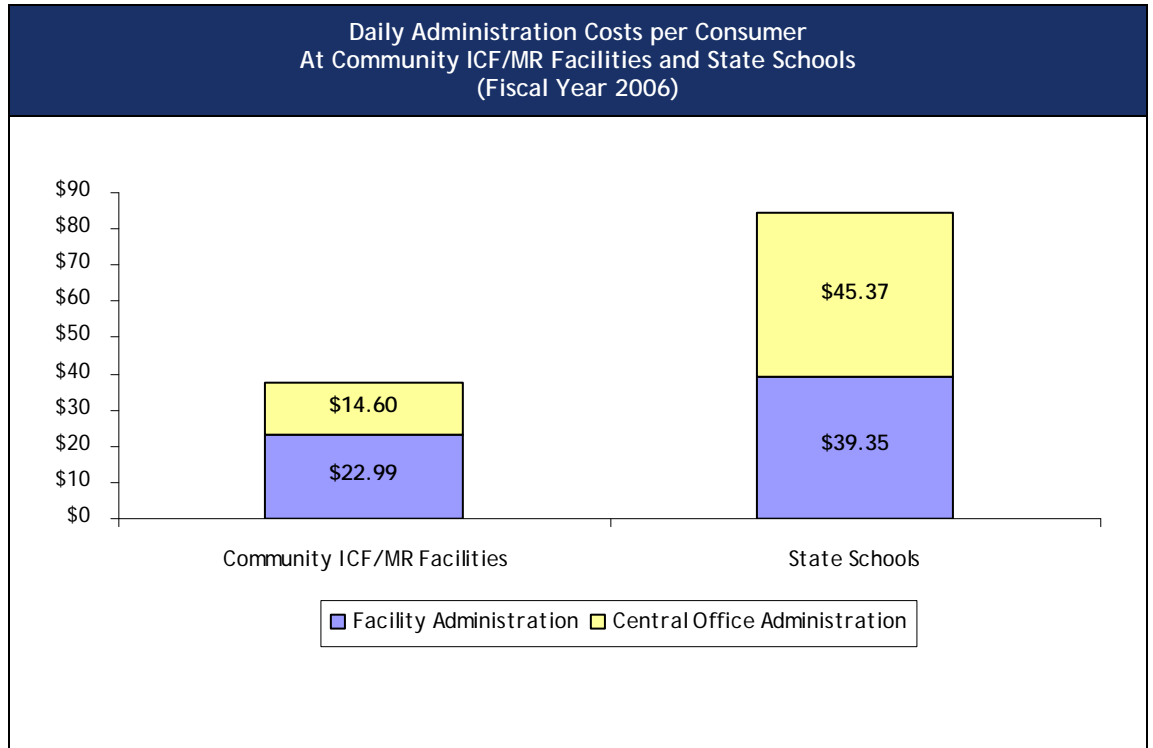


Sources: Unaudited state school costs reports for fiscal years 2004 through 2007.

Administration costs include (1) the costs of administration on site at state schools and community ICF/MR facilities and (2) administration costs that the DADS central office allocates to state schools and that corporate offices allocate to private community ICF/MR facilities.

Figure 4 shows facility and central administration costs per consumer per day for community ICF/MR facilities and state schools in fiscal year 2006.

Figure 4



Source: Unaudited community ICF/MR facility and state school cost reports for fiscal year 2006.

As Figure 4 above shows, administration costs in both categories were significantly higher in state schools than in community ICF/MR facilities. The greatest difference in administration costs was in central office administration. In fiscal year 2006, DADS allocated more than three times as much central office administration costs to state schools than corporate offices allocated to private community ICF/MR facilities.

DADS central office administration costs allocated to state schools have increased significantly since 2004. DADS daily central administration costs per consumer allocated to state schools increased 156 percent from \$20.95 in 2004 to \$53.54 in 2007.²⁵ Over this time, central administration costs rose from 35 percent of all administrative costs in fiscal year 2004 to 52 percent of all administrative costs in fiscal year 2007. The increase in central administration costs that DADS allocates to state schools is the primary reason for the overall increase in administration costs.

²⁵ Adjusting for inflation over these four years, the increase was 133 percent.

Increases in central office administration costs are related to changes in the way the State allocates central office costs to state schools. In 2003, the Legislature reorganized health and human services agencies under House Bill 2292 (78th Legislature, Regular Session). That bill abolished the Department of Mental Health and Mental Retardation (MHMR) and transferred administrative responsibilities for state schools to DADS. DADS is a much larger agency than MHMR was in terms of appropriations, but not in terms of the size of its staff (MHMR administered both state hospitals²⁶ and state schools). Because DADS allocates administration costs to state schools based on full-time equivalents (FTEs), there was a significant increase in state school administration costs following the reorganization. State schools account for less than 10 percent of DADS's budget, but they have 78 percent of DADS's FTEs.

Facility (on site) administration costs are higher in state schools primarily because of higher professional and clerical staffing costs. DADS paid more for professional administration and clerical staff at state schools than it did (through a contracted rate) at community ICF/MR facilities in fiscal year 2006. On average, professional administration and clerical staff at state schools cost approximately \$11 per consumer per day. At community ICF/MR providers, professional administration and clerical staff cost approximately \$2 per consumer per day.

Comprehensive medical care costs were more than three times as much per consumer in state schools as in community ICF/MR facilities in fiscal year 2006.

Comprehensive medical care is delivered in a significantly different way in state schools than it is delivered in community ICF/MR facilities. State school consumers receive most of their health care and pharmaceutical services on the state school campuses, which have their own infirmaries and pharmacies. Consumers in community ICF/MR facilities generally see Medicaid providers in the community and get their prescriptions through the Medicaid vendor drug program.²⁷

²⁶ Administration of state hospitals is now the responsibility of the Department of State Health Services.

²⁷ According to information provided by DADS, 69 percent of state school consumers and 60 percent of community ICF/MR facility consumers are eligible for Medicare and Medicaid. These dual-eligible consumers now receive their pharmacy benefits through Medicare Part D, which began in January 2006.

Table 5 shows the per consumer daily cost of prescriptions and all other health care in state schools and community ICF/MR facilities. While prescription costs are higher in state schools than in community ICF/MR facilities, prescriptions are not the main reason for the overall higher health care costs in state schools.

Table 5

Prescription and Other Health Care Costs (Per Consumer Per Day) at Community ICF/MR Facilities and State Schools (Fiscal Year 2006)			
Cost Report Category	Community ICF/MR Facilities	State Schools	Difference
Prescriptions costs	\$9.14	\$14.62	\$ 5.48
All other health care costs	\$5.14	\$34.39	\$29.25

Source: Unaudited community ICF/MR facility and state school cost reports for fiscal year 2006.

One important reason for higher health care costs in state schools is the method used to account for health care costs. In state schools, health care costs include salaries for professional positions (such as physicians and nurses) and the costs of providing medical services (such as EKG and laboratory services). But state school health care costs also include significant administration costs allocated from the facilities and from the DADS central office. In 2006, administrative costs accounted for 28 percent of state school health care costs (excluding prescriptions).

It is difficult to compare the health of state school consumers to the health of community ICF/MR facility consumers. While health care costs for state school consumers are higher than health care costs for community ICF/MR facility consumers, it is difficult to compare the health status of both populations because there is no standard method for rating health status.²⁸ State school consumers are assigned a health status code ranging from 1 to 4, depending on their medical condition.²⁹ Consumers living in community ICF/MR facilities are not assigned a health status code.

Auditors analyzed consumers' average level of need (LON) in state schools and community ICF/MR facilities and determined that, while state school consumers are generally classified with higher needs than community ICF/MR consumers, LON differences are not a significant factor in the higher costs of care in state schools.³⁰ LON is mainly a measure of functional ability

²⁸ DADS tracks various health indicators for state school and community ICF/MR consumers, including information on the consumers mental health, and whether or not the consumer is ambulatory.

²⁹ Health status codes are: 1 – “No Major Problems”; 2 – “Mild”; 3 – “Moderate”; and 4 – “Severe”.

³⁰ The same process is used to determine consumers' LON in state schools and community ICF/MR facilities. There are five levels of need: intermittent (least needs); limited; extensive; pervasive; and pervasive plus (highest needs).

and the intensity of services necessary to care for each consumer. The LON is the basis of the rate the state pays to community ICF/MR facilities. LON is not directly related to health status.

Management's Response from DADS

Presently there are items available for comparison of health status of consumers of the State Schools and Community ICF/MR Facilities from the MR/RC Assessment used to determine eligibility for the ICF/MR Program. For example, there are four times as many consumers in State Schools who are non-ambulatory as there are in Community ICF/MR Facilities, and two times as many consumers in State Schools who have a co-occurring dual diagnosis of schizophrenia or bipolar disorder in addition to the primary diagnosis of mental retardation or related conditions.

In the future if DADS decides to use MDS 3.0 to determine level of care for the ICF/MR Program, there will be a greater number of health status items from the Minimum Data Set assessment that may be used to compare the relative health conditions of consumers of State Schools and Community ICF/MR Facilities.

Appendices

Appendix 1

Objectives, Scope, and Methodology

Objectives

The objectives of this audit were to:

- Determine whether the Department of Aging and Disability Services (DADS) ensures that consumers in state mental retardation facilities, or their legal representatives, are aware of their community living options.
- Determine whether DADS has controls in place to ensure that allegations of improper care and possible abuse or neglect are reported, disposed of, or investigated in a manner that promotes the safety of consumers.
- Analyze the costs to deliver services in community and state-run Intermediate Care Facilities/Mental Retardation (ICF/MR).

Scope

The scope of this audit covered DADS's operations in relation to state schools and community ICF/MR facilities from September 1, 2005, to December 31, 2007, and the Department of Family and Protective Services' (DFPS) investigations at mental retardation facilities from September 1, 2005, to November 30, 2007.

Methodology

The audit methodology included conducting interviews with staff and consumers at state schools and community ICF/MR facilities, DADS, and DFPS. Auditors obtained data pertaining to community living options and investigations of abuse, neglect, and exploitation to test for compliance with applicable requirements.

Information collected and reviewed included the following:

- Policies and procedures for consumer living options and investigations of complaints and incidents and allegations of abuse, neglect, and exploitation.
- State school and community ICF/MR facility cost reports for fiscal year 2006.
- Budgets and estimates of costs for operating state school and community ICF/MR facility programs.

- Living options, monitoring, and investigation case files.
- Data from living options and investigations systems.
- Employee training records at state schools and community ICF/MR facilities.
- Quality assurance processes for reporting and investigating allegations of abuse, neglect, and exploitation.

Procedures and tests conducted included the following:

- Analyzed cost reports and compared estimated costs for providing care in state school and community ICF/MR facility settings.
- Analyzed program budgets to determine operational costs for providing care in state school and community ICF/MR facility settings that are not reported in the cost reports.
- Tested living options using judgmental sampling to ensure living option discussions and decisions were performed and documented in compliance with DADS's policy.
- Tested investigations case files using judgmental sampling to ensure allegations of abuse, neglect, and exploitation were performed in a timely manner, in accordance with DADS's policy.
- Tested monitoring processes for consumer living options using judgmental sampling to ensure consumers can exercise preferences in living arrangements.
- Tested quality assurance processes using judgmental sampling to ensure assessments of initial allegations were accurate.

Criteria used included the following:

- Title 40, Texas Administrative Code.
- Texas Government Code, Chapter 531.
- Texas Health and Safety Code, Chapters 252, 533, and 593.
- Texas Human Resources Code, Chapter 48.
- *State Operations Manual*, U.S. Centers for Medicare and Medicaid Services.
- Title 42, Code of Federal Regulations, Chapter IV.

- Complaint and Incident Intake Process Handbook, Section 8, DADS.
- Adult Protective Services Handbook, DFPS.
- Statewide Intake Handbook, DFPS.
- DADS policies and procedures.

Project Information

Audit fieldwork was conducted from March 2008 through May 2008. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The following members of the State Auditor's staff performed the audit:

- Scott Boston, MPAff (Project Manager)
- Pamela A. Bradley, CPA (Assistant Project Manager)
- Kristin Alexander, CIA, CFE
- Olivia Gutierrez
- Rachel Snell, MPAff, CFE
- Brenda Zamarripa
- Joseph Kozak, CPA, CISA (Information Systems Audit Team)
- Leslie P. Ashton, CPA (Quality Control Reviewer)
- Kelly Furgeson Linder, CIA, CGAP (Audit Manager)

Turnover Rate for Key Direct Care Staff Positions

Table 6 summarizes turnover rates for key direct care staff at state schools in fiscal year 2007.

Table 6

Turnover Rate for Key Direct Care Staffing Positions Fiscal Year 2007						
State School ^a	Turnover Rate by Position					Overall Turnover Rate
	Mental Retardation Assistant	Mental Retardation Assistant Supervisor	Licensed Vocational Nurse	Registered Nurse	Qualified Mental Retardation Professional	
Abilene State School	41.1%	24.9%	27.4%	12.1%	20.6%	37.2%
Austin State School	43.5%	6.7%	54.5%	48.8%	58.2%	64.8%
Brenham State School	45.7%	6.7%	19.4%	60.0%	23.9%	42.2%
Corpus Christi State School	58.8%	0.0%	28.2%	21.2%	28.7%	52.2%
Denton State School	65.2%	0.0%	21.0%	20.8%	21.1%	56.7%
El Paso State Center	18.0%	12.5%	15.1%	30.7%	54.5%	19.1%
Lubbock State School	71.7%	19.1%	45.2%	55.8%	14.6%	66.6%
Lufkin State School	29.2%	5.6%	8.3%	34.0%	17.0%	30.1%
Mexia State School	39.0%	13.4%	10.9%	31.4%	3.7%	36.3%
Richmond State School	28.3%	4.4%	4.4%	46.0%	0.0%	28.3%
San Angelo State School	76.3%	5.6%	0.0%	19.7%	16.8%	67.0%
San Antonio State School	58.8%	7.8%	10.8%	17.1%	25.5%	51.7%
Totals	50.3%	8.6%	30.8%	30.1%	19.8%	46.0%

^a DADS did not have this information for Rio Grande State Center, which is administered by the Department of State Health Services.

Source: Turnover data from the Health and Human Services Administrative System-Human Resource Management System for fiscal year 2007.

State School Facility Demographics

Table 7 summarizes demographic information for state schools and community Intermediate Care Facilities/Mental Retardation (ICF/MR) facilities as of August 31, 2007.

Table 7

State School Facility Demographics (as of August 31, 2007)						
State School	Total Population	Code of Criminal Procedure (Article 46) Commitments ^a	Behavior - Severe or Profound	No Guardians	Living Option Preference - Remain in Current Setting	Living Option Preference - Alternate Preference
Abilene State School	515 (10.5%)	0	77 (6.0%)	298 (10.2%)	127 (7.6%)	30 (4.7%)
Austin State School	434 (8.9%)	<5	63 (4.9%)	184 (6.3%)	146 (8.7%)	22 (3.4%)
Brenham State School	401 (8.2%)	<5	81 (6.3%)	188 (6.4%)	217 (12.9%)	35 (5.4%)
Corpus Christi State School	361 (7.4%)	31 (28.4%)	37 (2.9%)	250 (8.5%)	108 (6.4%)	59 (9.1%)
Denton State School	641 (13.1%)	<5	194 (15.1%)	360 (12.3%)	306 (18.3%)	16 (2.5%)
El Paso State Center	141 (2.9%)	0	19 (1.5%)	97 (3.3%)	60 (3.6%)	6 (0.9%)
Lubbock State School	289 (5.9%)	<5	35 (2.7%)	166 (5.7%)	120 (7.2%)	25 (3.9%)
Lufkin State School	427 (8.7%)	<5	39 (3.0%)	243 (8.3%)	139 (8.3%)	33 (5.1%)
Mexia State School	498 (10.2%)	27 (24.8%)	364 (28.4%)	375 (12.8%)	43 (2.6%)	200 (31.1%)
Richmond State School	508 (10.4%)	0	155 (12.1%)	337 (11.5%)	152 (9.1%)	29 (4.5%)
Rio Grande State Center	76 (1.6%)	<5	<5	55 (1.5%)	63 (3.8%)	7 (1.1%)
San Angelo State School	300 (6.1%)	30 (27.5%)	180 (14.0%)	219 (7.5%)	80 (4.8%)	161 (25.0%)
San Antonio State School	293 (6.0%)	8 (7.3%)	37 (2.9%)	158 (5.4%)	115 (6.9%)	21 (3.3%)
Totals	4,884	109	1283	2,930	1,676	644

^a To protect the privacy of consumers, this data excludes facilities with fewer than five Article 46 commitments.

Source: Department of Aging and Disability Services state school demographics data.

Payment Rates for Community ICF/MR Facilities

Table 8 shows the payment rates per consumer per day for community Intermediate Care Facilities/Mental Retardation (ICF/MR) facilities from September 1, 2003, through August 31, 2009.

Table 8

Payment Rates Per Consumer Per Day for Community ICF/MR Facilities			
Level of Need	8 or Fewer Beds	9-13 Beds	14 or More Beds
September 1, 2007 through August 31, 2009			
1 Intermittent	\$148.59	\$121.53	\$ 98.04
5 Limited	\$165.54	\$137.99	\$107.19
8 Extensive	\$188.25	\$163.58	\$128.09
6 Pervasive	\$230.38	\$195.68	\$175.86
9 Pervasive +	\$415.04	\$391.89	\$389.96
June 1, 2007 through August 31, 2007			
1 Intermittent	\$143.38	\$120.37	\$ 93.51
5 Limited	\$159.88	\$132.49	\$105.77
8 Extensive	\$182.67	\$154.47	\$118.45
6 Pervasive	\$224.05	\$187.18	\$164.78
9 Pervasive +	\$394.45	\$369.85	\$365.07
September 1, 2003 through May 31, 2007 ^a			
1 Intermittent	\$136.85	\$114.88	\$ 89.26
5 Limited	\$152.60	\$126.45	\$100.95
8 Extensive	\$174.34	\$147.43	\$113.05
6 Pervasive	\$213.83	\$178.64	\$157.47
9 Pervasive +	\$376.43	\$352.95	\$348.38
^a These rates were in effect during the audit scope and were the rates on which audit analysis was conducted.			

Source: Health and Human Services Commission.

Copies of this report have been distributed to the following:

Legislative Audit Committee

The Honorable David Dewhurst, Lieutenant Governor, Joint Chair
The Honorable Tom Craddick, Speaker of the House, Joint Chair
The Honorable Steve Ogden, Senate Finance Committee
The Honorable Thomas “Tommy” Williams, Member, Texas Senate
The Honorable Warren Chisum, House Appropriations Committee
The Honorable Jim Keffer, House Ways and Means Committee

Office of the Governor

The Honorable Rick Perry, Governor

Health and Human Services Commission

Mr. Albert Hawkins, Executive Commissioner

Department of Aging and Disability Services

Ms. Adelaide Horn, Commissioner

Department of Family and Protective Services

Mr. Carey Cockerell, Commissioner



This document is not copyrighted. Readers may make additional copies of this report as needed. In addition, most State Auditor's Office reports may be downloaded from our Web site: www.sao.state.tx.us.

In compliance with the Americans with Disabilities Act, this document may also be requested in alternative formats. To do so, contact our report request line at (512) 936-9880 (Voice), (512) 936-9400 (FAX), 1-800-RELAY-TX (TDD), or visit the Robert E. Johnson Building, 1501 North Congress Avenue, Suite 4.224, Austin, Texas 78701.

The State Auditor's Office is an equal opportunity employer and does not discriminate on the basis of race, color, religion, sex, national origin, age, or disability in employment or in the provision of services, programs, or activities.

To report waste, fraud, or abuse in state government call the SAO Hotline: 1-800-TX-AUDIT.