

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO	DATE
Meyer	5-6-08

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER 000572	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____ <input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <input checked="" type="checkbox"/> Necessary Action
2. DATE SIGNED BY DIRECTOR <i>Ce. Ms. Fortner, Depo, Jacobs</i> <i>Cleaved 8/4/08, letter attached.</i>	

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Higdon</i>	DATE <i>5-6-08</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <div style="text-align: center; font-size: 1.2em;">000572</div>	<input type="checkbox"/> I Prepare reply for the Director's signature <div style="text-align: right;">DATE DUE _____</div> <input type="checkbox"/> I Prepare reply for appropriate signature <div style="text-align: right;">DATE DUE _____</div> <input type="checkbox"/> I FOIA <div style="text-align: right;">DATE DUE _____</div> <input checked="" type="checkbox"/> Necessary Action
2. DATE SIGNED BY DIRECTOR <i>cc: Ms. Forkner, Depp, Jacobs</i>	

APPROVALS <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St., Suite 4T20
Atlanta, Georgia 30303-8909



May 1, 2008

RECEIVED

Emma Forkner, Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29208-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Dear Ms. Forkner:

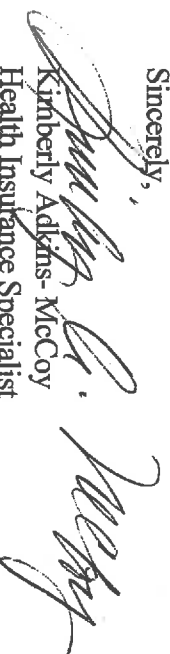
The Centers for Medicare and Medicaid Services (CMS) is conducting a quality review of South Carolina's Home and Community-Based Services Waiver for Children with Pervasive Developmental Disabilities (PDD), CMS control number #0456. This review will be used to evaluate the overall performance of this waiver program throughout the currently approved period (January 1, 2007 – December 31, 2009) and to identify the need for any modifications or technical assistance necessary for Tennessee to continue to successfully operate this waiver program. The results of this review will serve to inform both the State and CMS of the State's compliance with waiver assurances in anticipation of the waiver's renewal. The expiration date of this waiver is December 31, 2009.

The CMS requests States to demonstrate adequate and effective mechanisms for finding and resolving compliance issues on an ongoing basis. Enclosed with this letter is a listing of the types of evidence-based information CMS must review in order to determine the State's implementation of its quality management and improvement strategy – that is discovery, remediation and improvement activities with regard to all of the waiver assurance. We request you submit the information identified in the enclosure to this office within ninety days of receipt of this letter. To expedite the review process, we ask that you provide concise, specific information that demonstrates your State's implementation of your quality management and improvement strategy.

While we recognize the value of State policies and procedures with regard to oversight activities, this evaluation focuses on the extent to which the policies and procedures have been implemented, and the results of the State's oversight activities. That is, how does the state identify quality issues, and how do they address them when they are identified? In addition to your quality improvement strategy, and as you will see in the enclosure, we are requesting evidence as to the implementation of oversight activities.

After reviewing the requested submission, I will contact your staff to discuss necessary follow-up activities. Please feel free to contact me at (404) 562-7159 with any questions related to this request.

Sincerely,


Kimberly Adams-McCoy
Health Insurance Specialist
Division of Medicaid and Children's Health Operations

Attachment: HCBS Quality Review Worksheet
CC: Mark Reed, Central Office Analyst

HCBS Quality Review Work Sheet

I. Level of Care (LOC) Determination

The State demonstrates that it implements the processes and instrument(s) specified in its approved waiver for evaluating/reevaluating a waiver applicant or participant's level of care consistent with care provided in a hospital, NF, or ICF/MR.

Sub Assurances	CMS Expectations	Types of Evidence
An evaluation for level of care is provided to all applicants for whom there is reasonable indication that services may be needed in the future.	State submits evidence that is has reviewed applicant files to verify that individual levels of care evaluations are conducted.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other
The level of care of enrolled participants is reevaluated at least annually or as specified in its approved waiver.	State submits evidence that it regularly reviews participant files to verify that the instrument described in the approved waiver is used in all level of care re-determinations, the person(s) who implement level of care determinations are those specified in the approved waiver, and the process/instruments are applied appropriately.	
The process and instruments described in the approved waiver are applied appropriately and according to the approved description to determine participant level of care.		

II. Service Plans

The State demonstrates it has designed and implemented an effective system for reviewing the adequacy of service plans for waiver participants.

Sub Assurances	CMS Expectations	Types of Evidence
Service plans address all participants' assessed needs (including health and safety risk factors) and personal goals, either by waiver services or through other means.	State demonstrates that service plans are reviewed periodically to assure that all of participant needs are addressed and preferences considered.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other
The state monitors service plan development in accordance with its policies and procedures	State submits evidence of its monitoring process for service plan development and any corrective action taken when service plans were not developed according to policies and procedures.	
Service plans are update/revised at least annually or when warranted by changes in the waiver participant's needs.	State submits evidence of its monitoring process for service plan update/revision including service plan updates when a participant's needs changed and corrective actions taken when service plans were not updated/revised according to policies and procedures.	

II. Service Plans (Continued)

The State demonstrates it has designed and implemented an effective system for reviewing the adequacy of service plans for waiver participants.

Sub Assurances	CMS Expectations	Types of Evidence
Services are delivered in accordance with the service plan, including the type, scope, amount, and frequency specified in the service plan.	State submits evidence of the results of its monitoring process for ensuring the services identified in the service plan are implemented.	<p>Summary reports based on a significant sample of any single or combined method or source of evidence as follows:</p> <ul style="list-style-type: none"> ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other
Participants are afforded choice: 1) Between waiver services and institutional care; and 2) Between/among waiver services and providers	State submits evidence of the results of its monitoring process for ensuring the services identified in the service plan are implemented.	

III. Qualified Providers

The State demonstrates it has designed and implemented an adequate system for assuring that all waiver services are provided by qualified providers.

Sub Assurances	CMS Expectations	Types of Evidence
The State verifies that providers initially and continually met required licensure and/or certification standards and adhere to other state standards prior to their furnishing waiver services.	State provides documentation of periodic review by licensing/certification entity.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other
The state monitors non-licensed/non-certified providers to assure adherence to waiver requirements	State provides documentation that non-licensed/non-certified providers are monitored on a periodic basis sufficient to provide protections to waiver participants.	
The state implements its policies and procedures for verifying that provider training is conducted in accordance with state requirements and the approved waiver.	State provides documentation of monitoring and training and actions it has taken when providers have not met requirements (e.g., technical assistance, training).	

IV. Health and Welfare

The State demonstrates, on an ongoing basis that it identifies, addresses, and seeks to prevent instances of abuse, neglect and exploitation.

Sub Assurances	CMS Expectations	Types of Evidence
The state, on an ongoing basis, identifies, addresses, and seeks to prevent the occurrence of abuse, neglect and exploitation.	State demonstrates that, on an ongoing basis, abuse, neglect and exploitation are identified, appropriated actions have been taken when the health or welfare of a participant has not been safeguarded, and an analysis is conducted of abuse, neglect and exploitation trends and strategies it has implemented for prevention.	<p>Summary reports based on a significant sample of any single or combined method or source of evidence as follows:</p> <ul style="list-style-type: none"> ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other

V. Administrative Authority

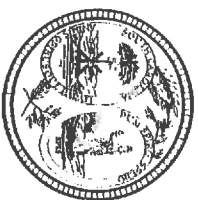
The State demonstrates it retains ultimate administrative authority over the waiver program and that its administration of the waiver program is consistent with the approved waiver application.

Sub Assurances	CMS Expectations	Types of Evidence
The Medicaid agency retains ultimate administrative authority and responsibility for the operation of the waiver program by exercising oversight of the performance of waiver functions by other State and local/regional non-State agencies (if appropriate) and contracted entities.	State submits evidence of its monitoring of all delegated functions, and implementation of policies/procedures related to its administrative authority over the waiver program, including: memoranda of agreements, description of roles and responsibilities relative to program operations, monitoring, and remediation or system improvements instituted when problems are identified in the operation of the waiver program.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other

VI. Financial Accountability

The State demonstrated that it has designed and implemented an adequate system for assuring financial accountability of the waiver program.

Sub Assurances	CMS Expectations	Types of Evidence
State financial oversight exists to assure that claims are coded and paid for in accordance with the reimbursement methodology specified in the approved waiver.	State submits results of its financial monitoring process for verifying maintenance of appropriate financial records as specified in the approved waiver.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: <ul style="list-style-type: none"> ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Emma Forkner
Director

August 4, 2008

Kimberly Adkins-McCoy
Health Insurance Specialist
Division of Medicaid and Children's Health Operations
Centers for Medicare & Medicaid Services
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303-8909

Dear Ms. Adkins-McCoy:

Enclosed is South Carolina's Submission of Evidentiary-Based Information with regard to oversight activities of the South Carolina Pervasive Development Disorder Waiver (#0456). We look forward to your evaluation of South Carolina's performance.

Please contact Kia Jefferson, (803) 898-2704, should you need additional information regarding this waiver assessment.

Sincerely,

A handwritten signature in cursive script, appearing to read "Emma Forkner".

Emma Forkner
Director

EF/mwmd
Enclosures

c: Mark Reed, Central Office Analyst
Stan Butkus, SCDDSN

log #572
✓

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 - 3. QUALIFIED PROVIDERS
 - 4. HEALTH AND WELFARE
 - 5. ADMINISTRATIVE AUTHORITY
 - 6. FINANCIAL ACCOUNTABILITY
 - B. PDD WAIVER QUALITY IMPROVEMENT STRATEGY
 - C. PDD WAIVER EVIDENTIARY DOCUMENTATION

Evidentiary-Based Information
South Carolina Pervasive Developmental Disorder
Home and Community Based Waiver Program (#0456)

Introduction

The South Carolina Pervasive Developmental Disorder (PDD) Waiver was approved for operation as of January 2007. The rationale for the PDD waiver occurred during the 2006 session of the South Carolina General Assembly, where parent advocates organized a grassroots initiative seeking new legislation that would require insurance companies to provide coverage for the treatment of a PDD. As a compromise to families and insurance companies, \$3 million dollars in non-recurring funds was appropriated to the South Carolina Department of Disabilities and Special Needs (SCDDSN) by the General Assembly. The funding came under the terms of a budget proviso with the requirement to coordinate services with the South Carolina Department of Health and Human Services (SCDHHS).

In September of 2006, SCDDSN completed and submitted an application for a 1915(c) home and community based services waiver to the Federal agency, Centers for Medicare and Medicaid Services (CMS). After a ninety-day (90) review, CMS approved the application with an effective date of January 1, 2007.

The objective of the PDD waiver is to serve children three through ten years of age by providing developmental skills in the areas of cognition, behavior, communication and social interaction. Children participating in the waiver must be diagnosed with a PDD (including Autism and Asperger's Syndrome), and meet the Intermediate Care Facility/Mental Retardation (ICF/MR) level of care criteria.

The services provided through the PDD waiver are Early Intensive Behavioral Intervention (EIBI) and Case Management. The waiver operations are conducted by SCDDSN with administrative oversight from SCDHHS. As of July 2008, the PDD waiver has an enrollment of 246 unduplicated participants. The waiver is projected to serve a maximum of 550 unduplicated participants by December 2008.

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St., Suite 4T20
Atlanta, Georgia 30303-8909



May 1, 2008

RECEIVED

Emma Forkner, Director
South Carolina Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29208-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

MAY 05 2008

Dear Ms. Forkner:

The Centers for Medicare and Medicaid Services (CMS) is conducting a quality review of South Carolina's Home and Community-Based Services Waiver for Children with Pervasive Developmental Disabilities (PDD), CMS control number #0456. This review will be used to evaluate the overall performance of this waiver program throughout the currently approved period (January 1, 2007 – December 31, 2009) and to identify the need for any modifications or technical assistance necessary for Tennessee to continue to successfully operate this waiver program. The results of this review will serve to inform both the State and CMS of the State's compliance with waiver assurances in anticipation of the waiver's renewal. The expiration date of this waiver is December 31, 2009.

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Sincerely,

Kimberly Adkins-McCoy
Health Insurance Specialist
Division of Medicaid and Children's Health Operations

HCBS Quality Review Work Sheet

I. Level of Care (LOC) Determination

<i>The State demonstrates that it implements the processes and instrument(s) specified in its approved waiver for evaluating/reevaluating a waiver applicant or participant's level of care consistent with care provided in a hospital, NF, or ICF/MR.</i>		
Sub Assurances	CMS Expectations	Types of Evidence
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The level of care of enrolled participants is reevaluated at least annually or as specified in its approved waiver.	State submits evidence that it regularly reviews participant files to verify that reevaluations of level of care are conducted at least annually or as specified in the approved waiver.	
The process and instruments described in the approved waiver are applied appropriately and according to the approved description to determine participant level of care.	State submits that it regularly reviews participant files to verify that the instrument described in the approved waiver is used in all level of care re-determinations, the person(s) who implement level of care determinations are those specified in the approved waiver, and the process/instruments are applied appropriately.	

II. Service Plans

The State demonstrates it has designed and implemented an effective system for reviewing the adequacy of service plans for waiver participants.

Sub Assurances	CMS Expectations	Types of Evidence
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The State demonstrates it has designed and implemented an effective system for reviewing the adequacy of service plans for waiver participants.

Sub Assurances	CMS Expectations	Types of Evidence
Services are delivered in accordance with the service plan, including the type, scope, amount, and frequency specified in the service plan.	State submits evidence of the results of its monitoring process for ensuring the services identified in the service plan are implemented.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other
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III. Qualified Providers

The State demonstrates it has designed and implemented an adequate system for assuring that all waiver services are provided by qualified providers.

Sub Assurances	CMS Expectations	Types of Evidence
The State verifies that providers initially and continually met required licensure and/or certification standards and adhere to other state standards prior to their furnishing waiver services.	State provides documentation of periodic review by licensing/certification entity.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other
The state monitors non-licensed/non-certified providers to assure adherence to waiver requirements	State provides documentation that non-licensed/non-certified providers are monitored on a periodic basis sufficient to provide protections to waiver participants.	
The state implements its policies and procedures for verifying that provider training is conducted in accordance with state requirements and the approved waiver.	State provides documentation of monitoring and training and actions it has taken when providers have not met requirements (e.g., technical assistance, training).	

IV. Health and Welfare

The State demonstrates, on an ongoing basis that it identifies, addresses, and seeks to prevent instances of abuse, neglect and exploitation.

Sub Assurances	CMS Expectations	Types of Evidence
The state, on an ongoing basis, identifies, addresses, and seeks to prevent the occurrence of abuse, neglect and exploitation.	State demonstrates that, on an ongoing basis, abuse, neglect and exploitation are identified, appropriated actions have been taken when the health or welfare of a participant has not been safeguarded, and an analysis is conducted of abuse, neglect and exploitation trends and strategies it has implemented for prevention.	<p>Summary reports based on a significant sample of any single or combined method or source of evidence as follows:</p> <ul style="list-style-type: none"> ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other

V. Administrative Authority

The State demonstrates it retains ultimate administrative authority over the waiver program and that its administration of the waiver program is consistent with the approved waiver application.

Sub Assurances	CMS Expectations	Types of Evidence
The Medicaid agency retains ultimate administrative authority and responsibility for the operation of the waiver program by exercising oversight of the performance of waiver functions by other State and local/regional non-State agencies (if appropriate) and contracted entities.	State submits evidence of its monitoring of all delegated functions, and implementation of policies/procedures related to its administrative authority over the waiver program, including: memoranda of agreements, description of roles and responsibilities relative to program operations, monitoring, and remediation or system improvements instituted when problems are identified in the operation of the waiver program.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other

VI. Financial Accountability

The State demonstrated that it has designed and implemented an adequate system for assuring financial accountability of the waiver program.

Sub Assurances	CMS Expectations	Types of Evidence
State financial oversight exists to assure that claims are coded and paid for in accordance with the reimbursement methodology specified in the approved waiver.	State submits results of its financial monitoring process for verifying maintenance of appropriate financial records as specified in the approved waiver.	Summary reports based on a significant sample of any single or combined method or source of evidence as follows: ✓ Record Reviews, on-site ✓ Record Reviews, off-site ✓ Training verification records ✓ On-site observations, interview, monitoring ✓ Analyzed collected data (including surveys, focus group, interview, etc.) ✓ Trends, remediation actions proposed / taken ✓ Provider performance monitoring ✓ Operating agency performance monitoring ✓ Staff observation / opinion ✓ Participant / family observation and opinion ✓ Critical events and incident reports ✓ Mortality reviews ✓ Program logs ✓ Medication administration data reports, logs ✓ Financial records (including expenditures) Financial audits Meeting minutes Presentations of policies or procedures Reports to State Medicaid Agency on delegated administrative functions Other

PDD Waiver Quality Improvement Strategy

The State's quality objective is to provide effective administrative oversight of the PDD waiver program to ensure quality assurance measures are met. SCDHHS and SCDDSN will continue working towards meeting waiver requirements, enhancing quality practices, and remediation as required. The State has identified several areas requiring improvement and/or remedial actions, and has addressed each of these areas with an improvement strategy based on the CMS assurances.

I. Level of Care:

- A. The SCDDSN QIO review process has not conducted case record reviews of annual PDD waiver participant LOC evaluations.

Improvement: SCDDSN will use specific assurance indicators for the PDD waiver to evaluate individual levels of care to ensure instruments are completed properly, timely, and included in the case record.

II. Service Plan:

- A. SCDDSN conducted limited service plan training to case managers during the evidentiary period.

Improvement: SCDDSN will develop and disseminate to all case management providers and SCDHHS, an annual training calendar specific to the PDD waiver and include a component on service plans. A logbook will be developed to maintain all agenda's, list of attendees, and memorandums for each training session.

- B. SCDDSN has not conducted random case management surveys to ensure compliance with outlined policies and procedures.

Improvement: SCDDSN will develop and implement a plan to include a team to conduct scheduled onsite case management surveys and share results with SCDHHS.

- C. SCDDSN has not conducted annual participant surveys to receive feedback involving participant satisfaction, quality of services, or usefulness of services.

Improvement: SCDDSN will conduct annual participant surveys to trend data and address non-compliant issues. Results will be shared and discussed with SCDHHS.

III. Qualified Provider:

- A. SCDDSN has not conducted annual reviews of licensed and/or certified providers to ensure continued qualifications.

Improvement: SCDDSN will develop and implement a plan to conduct annual reviews of licensed and/or certified providers using specific PDD waiver indicators.

- B. SCDDSN provided limited training and technical assistance to licensed and/or certified providers.

Improvement: SCDDSN will develop and disseminate to all EIBI providers and SCDHHS, an annual training calendar specific to provider matters. All training sessions will include needed information for providers to meet SCDDSN requirements for continued service. A logbook will also be developed to maintain all agendas, list of attendees, and memorandums. Additionally, all providers will receive an EIBI Provider Manual that clearly identifies all provider requirements, responsibilities, and expectations.

Due at CMS by 08/05/08

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Myers / Waldrep</i>	DATE <i>5-6-08</i>
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APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1. Emma Forkner			
2. Felicity Myers			
3. <i>by</i> Sam Waldrep	<i>SW</i>		
4. George Maky <i>Call: 730-5761</i>	<i>GM</i>		<i>See page 12-4-13</i>

- 5. Kia Jefferson
- 6. Kara Lewis

by

PDD Waiver Evidentiary Report – CMS Assurances

I. Level of Care (LOC) Determination:

Sub Assurances:

- A. An evaluation for level of care is provided to all applicants for whom there is reasonable indication that services may be needed in the future.

State's Evidence: All waiver participants must meet ICF/MR LOC to be considered for the PDD Waiver. SCDDSN utilizes a Consumer Assessment Team (CAT) to provide an initial evaluation of LOC to all applicants for whom there is reasonable indication services may be needed in the future. Additionally, SCDDHS utilizes an independent Quality Improvement Organization (QIO) to validate a sample of the initial LOC determinations made by the CAT. Evidence to support that an evaluation of LOC is provided to all applicants are as follows:

- ☐ Attachment #1: ICF/MR LOC protocol;
- ☐ Attachment #2A & 2B: SCDDSN monthly log of initial PDD LOC determinations made for the months of December 2007 and April 2008;
- ☐ Attachment #3A & 3B: SCDDHS QIO monthly report of PDD LOC validation findings for the CAT initial determinations made for the months of December 2007 and April 2008;
- ☐ Attachment #4: SCDDHS comprehensive quality assurance (QA) report of PDD participants with findings related to initial PDD LOC determinations during the review period of January 1, 2007 through December 31, 2007;
- ☐ Attachment #5: SCDDSN remediation plan in response to the findings of the SCDDHS QA report with level of care findings; and,
- ☐ Attachment #6: SCDDHS final response to the remediation plan submitted by SCDDSN.

- B. The level of care of enrolled participants is re-evaluated at least annually or as specified in its approved waiver.

State's Evidence: Enrolled participants are re-evaluated at least annually or more frequently if warranted. The same assessment team that conducts the initial LOC determinations also conducts the re-evaluations of LOC. SCDDSN and SCDDHS both utilize a QIO to validate a sample of the re-evaluations of LOC. Evidence to support that the LOC of all applicants is re-evaluated at least annually or more frequently are as follows:

- ☐ Attachment #7: SCDDSN monthly log of PDD LOC re-evaluations completed for the month of May 2008; and,
- ☐ Attachment #8: SCDDHS monthly QIO report of PDD LOC validation findings for the CAT re-evaluations completed for the month of May 2008.

- C. The process and instruments described in the approved waiver are applied appropriately and according to the approved description to determine participant level of care.

State's Evidence: The CAT consists of a medical doctor, director of Consumer Assessment, and psychologists whom meet the specified outlined qualifications. The CAT utilize a

standardized instrument to gather assessment information necessary for ICF/MR LOC determinations, capturing three main components: diagnosis of mental retardation or a related disability, behaviors requiring supervision, and services needed for acquisitions of behaviors necessary to function with as much self-determination and independence as possible and/or to prevent the deceleration or regression or loss of current optimal functional status. Evidence to confirm the process and instrument in the approved waiver are appropriately applied is as follows:

- Attachment #9: SCDDSN list of the CAT members and their titles;
- Attachment #10: SCDDSN ICF/MR LOC determination process used by the CAT for determining the initial LOC and the re-evaluations of LOC;
- Attachment #11A, 11B, & 11C: Completed ICF/MR LOC instruments, which are maintained in the PDD waiver participant's case record;
- Attachment #12: ICF/MR LOC Quick Reference Sheet used in various trainings to inform individuals of the criteria for meeting ICF/MR LOC and how to complete the ICF/MR LOC instruments;
- Attachment #8: SCDDHHS monthly QIO report of PDD LOC determinations for appropriate usage of approved process and instrument completed for the month of May 2008; and,
- Attachment #13: Trending report of the CAT LOC determinations made for the months of April 2007 through June 2008.

II. Service Plans:

Sub Assurances:

- A. Service plans address all participants' assessed needs (including health and safety risk factors) and personal goals, either by waiver services or through other means.

State's Evidence: SCDDSN is responsible for developing participant service plans based on the comprehensive assessment of the participant's strengths, needs, and personal priorities and preferences. The service plan includes a statement of the participant's need, indication if the need relates to a personal goal, the specific service to meet the need, the amount, frequency, duration of the service, and the type of provider who will furnish the service. The following documents are provided as evidence that individual service plans are reviewed to assure that all participant needs and personal goals are addressed:

- Attachment #14A, 14B, & 14C: SCDDSN Central staff training announcements, agendas, and materials used in conducting service plan training for PDD waiver services; policies, and procedures, which occurred in November 2007, with make-up training occurring in December 2007; and,
- Attachment #4, #5, and #6: SCDDHHS comprehensive QA report, SCDDSN remediation plan, and SCDDHHS final response of PDD participants with findings related to individual service plans during the review period of January 1, 2007 through December 31, 2007.

B. The state monitors service plan development in accordance with its policies and procedures.

State's Evidence: SCDDSN QIO performs compliance reviews using the National Core Indicators (NCI). The QIO conducts on-site reviews of individual participant files and produces an initial report of findings. All reviewed providers are to respond with a written plan of correction within thirty (30) days. Upon review of the corrective action plan, the QIO conducts a follow-up review. The QIO is also responsible for conducting surveys, which may be mailed to a random sample of case management caseloads or conducted as a face-to-face interview, inquiring about the assistance the case manager is providing. Case managers are notified of problems or areas needing improvement and receive training and technical assistance if needed by the supervisor or SCDDSN Central staff. Additionally, SCDHHS conducts quality assurance validation reviews to monitor the development of service plans. The following documents are provided as evidence that the State monitors service plan development in accordance with its policies and procedures:

- Attachment #15: SCDDSN QIO provider report for Sumter County Disabilities and Special Needs Board, which contained findings related to individual service plans;
- Attachment #16: SCDDSN QIO report of the follow-up review conducted for the Sumter County Disabilities and Special Needs Board. The follow-up report includes a recap of the plan of correction submitted by the provider and the QIO's final conclusions; and,
- Attachment #4, #5, and #6: SCDHHS comprehensive QA report of PDD participants with findings related to monitoring of service plan development, SCDDSN remediation plan, and SCDHHS final response during the review period of January 1, 2007 through December 31, 2007.

C. Service plans are updated/revised at least annually or when warranted by changes in the waiver participant's needs.

State's Evidence: SCDDSN is responsible for reviewing the entire service plan on a quarterly basis, which includes the review of the most recent EIBI service provider quarterly progress report and a contact with the participant's family. Changes to the service plan are made as needed by the case manager when the results of monitoring or when information obtained from the participant, his/her guardian, and/or service providers indicates the need for a change to the service plan. SCDHHS and SCDDSN utilize the same methods for monitoring service plan updates/revisions as used for monitoring service plan developments. The following document is provided as evidence to support the monitoring of service plan updates/revisions:

- Attachment #17: SCDDSN QIO report of PDD cases reviewed for timely updates and revisions based on the NCI, covering the time period of January 2007 through March 2008; and,
- Attachment #4, #5, and #6: SCDHHS comprehensive QA report of PDD participant cases reviewed for timely updates and revisions, SCDDSN remediation plan, and SCDHHS final response for the review period of January 1, 2007 through December 31, 2007.

- D. Services are delivered in accordance with the service plan, including the type, scope, amount, and frequency specified in the service plan.

State's Evidence: SCDDSN providers are required to use an automated service plan document which includes a statement of the participant's needs, indication if the need is related to a personal goal, the specific service to meet the need, the amount, frequency, duration of the service, and the type of provider who will furnish the service. SCDHHS and SCDDSN utilize the same methods for monitoring service delivery as used for monitoring service plan developments and service plan updates/revisions. The following evidence supports the monitoring of service plan delivery:

- ☐ Attachment #18: SCDDSN completed automated support plan document which requires the case manager to indicate the amount, frequency, duration, provider, and funding source of each service before moving forward to the next section of the support plan document;
- ☐ Attachment #19: SCDDSN completed Authorization for Services forms, which are used in correspondence with the services requested by the participant's parent/legal guardian. Providers are only allowed deliver services as authorized;
- ☐ Attachment #20: SCDDSN case manager notes where monitoring has occurred to ensure services have been delivered in accordance with the service plan; and,
- ☐ Attachment #4, #5, and #6: SCDHHS comprehensive QA report of PDD participants reviewed for service plan delivery, including amount, frequency, duration, SCDDSN remediation plan, and SCDHHS final response for the review period of January 1, 2007 through December 31, 2007.

- E. Participants are afforded choice: (1) between waiver services and institutional care; and, (2) between/among waiver services and providers.

State's Evidence: SCDDSN requires all case managers to have each waiver participant's parent or legal guardian complete a Freedom of Choice Form indicating their choice between waiver services and institutional care. Additionally, parents or legal guardians are informed in writing at the time of enrollment of the names and definitions of waiver services that can be funded through the waiver along with a list of qualified providers servicing their area. The following documents serve as evidence that each participant is afforded choice between waiver services and institutional care and between waiver services and providers:

- ☐ Attachment #21: SCDDSN completed Freedom of Choice Form which notifies the parent/legal guardian of their right to chose between home and community-based services (utilizing the PDD waiver) versus receiving services in an institutional setting. The form also advises the parent/legal guardian of the SCDDSN Reconsideration process and SCDHHS Medicaid Appeals process;
- ☐ Attachment #22: SCDDSN completed Acknowledgement of Rights and Responsibilities Form which is used to assist the participant's parent/legal guardian in understanding the PDD waiver program, their rights, responsibilities, and benefits;
- ☐ Attachment #23: SCDDSN case manager's letter informing a participant's parent/legal guardian of waiver services and a choice of providers whom have been approved to provide PDD waiver services in their local area; and,

- Attachment #4, #5, and #6: SCDHHS comprehensive QA report of PDD participants, SCDDSN remediation plan, and SCDHHS final response for the review period of January 1, 2007 through December 31, 2007, which included monitoring of participant's freedom of choice.

III. Qualified Providers:

Sub Assurances:

- A. The State verifies that providers initially and continually met required licensure and/or certification standards and adhere to other state standards prior to their furnishing waiver services.

State's Evidence: SCDDSN is responsible for verifying that potential providers meet all standards and qualifications, i.e., required certification standards and adherence to other state standards. A detailed process is used to: (a) examine licensures and/or certifications, (b) work experience, (c) criminal background investigations, (d) abuse registry checks, and (e) conduct personal interviews. Once SCDDSN confirms the provider meets all standards and qualifications, the approved provider may enroll with SCDHHS or SCDDSN to provide PDD waiver services. Both SCDHHS and SCDDSN are responsible for conducting annual provider reviews to ensure providers continue to meet licensing and/or certification criteria to render PDD waiver services. The following documents are evidence that the State verifies providers initially and continually meet required licensure and/or certification standards and adhere to other state standards prior to their furnishing waiver services:

- Attachment #24A & 24B: SCDDSN Letter of Interest packet sent to potential providers whom have expressed interest in rendering Applied Behavior Analysis services for PDD waiver participants;
- Attachment #25A, 25B, 25C, & 25D: A provider's initial verification packet that has been validated and approved by SCDDSN to provide EIBI services. The initial verification packet includes documents such as; SCDDSN approval letter, SCDDSN Interview Question Form, EIBI provider application, and work samples.
- Attachment #26: SCDDSN letter sent to SCDHHS when a potential provider has been approved to provide EIBI related services;
- Attachment #27: The Medicaid Management Information System screen showing where the approved EIBI provider (listed in Attachment #25) was enrolled as a Medicaid EIBI provider;
- Attachment #28: SCDHHS correspondence sent to EIBI service providers announcing an annual Medicaid compliance review, which is used to ensure current Medicaid enrolled EIBI providers continue to meet the required qualifications to continue as a Medicaid provider; and,
- Attachment #29A, 29B, & 29C: Provider qualification documents submitted by a Medicaid provider to SCDHHS in reference to the annual Medicaid compliance review correspondence (discussed in Attachment #28), to include; Applied Behavior Analysis Consultant certification, Line Therapist background checks, and annual training requirements.

- B. The State monitors non-licensed/non-certified providers to assure adherence to waiver requirements.

State Evidence: SCDDSN QIO conduct annual case management provider reviews and a sample of the employee personnel files is reviewed to ensure at least the minimum qualifications continue to be met. SCDHHS also conduct compliance reviews to ensure personnel continue to meet waiver standards and qualifications. The findings are summarized and shared with SCDDSN, whom is responsible for appropriate corrective action when applicable. The following documents are provided as evidence:

- ☐ Attachment #4, #5, and #6: SCDHHS comprehensive QA report of PDD participants with findings related to non-licensed/non-certified providers, SCDDSN remediation plan, and SCDDHHS final response for the review period of January 1, 2007 through December 31, 2007;
- ☐ Attachment #15: SCDDSN QIO provider report for Sumter County Disabilities and Special Needs Board, which contained findings related to non-licensed/non-certified providers; and,
- ☐ Attachment #17: SCDDSN QIO report of PDD cases reviewed for proper qualifications of non-licensed/non-certified providers using the NCI and covering the time period of January 2007 through March 2008.

- C. The State implements its policies and procedures for verifying that provider training is conducted in accordance with state requirements and the approved waiver.

State Evidence: SCDDSN conduct reviews and provides technical assistance to all providers of the PDD waiver. SCDHHS completes quality assurance reviews of providers and submits the findings to SCDDSN. SCDDSN then reviews the findings with providers and affords technical assistance and follow-up as necessary. The Internal Audits Division of SCDDSN also conducts special request audits, investigates fraud cases, and provides training and technical assistance. The following evidence provides documentation of the State's monitoring, training, and actions that have been taken when providers have not met requirements:

- ☐ Attachment #4, #5, and #6: SCDHHS comprehensive QA report with findings related to qualified providers whom have been found to be out of compliance with meeting the minimum requirements for non-licensed/non-certified provider qualifications, SCDDSN remediation plans and training activities, and SCDHHS final response;
- ☐ Attachment #30A, 30B, & 30C: SCDDSN correspondence announcing an EIBI provider training/meeting, the agenda, and a list of the attendees for the training/meeting held in January 2008; and,
- ☐ Attachment #31: SCDDSN documentation pertaining to an unannounced site visit to an EIBI provider, to ensure proper monitoring and oversight of activities.

IV. CMS Assurance: Health and Welfare

Sub Assurance:

- A. The State, on an ongoing basis, identifies, addresses, and seeks to prevent the occurrence of abuse, neglect, and exploitation.

State Evidence: SCDDSN identifies, address, and seeks to prevent instances of abuse, neglect, and exploitation. Based on the South Carolina Code of Laws, the SC Department of Social Services (SCDSS) is the investigative agency for children under 18 years of age. When SCDDSN receives reports of alleged abuse, the initial response is to ensure the child is protected and then to determine if any trends are noted. SCDDSN does not allow the alleged perpetrator to provide any services until the investigation has been completed. Upon completion of the investigation, the next action taken is dependent upon the results. Additionally, SCDHHS QA staff monitors health and welfare concerns through the quality assurance process, which includes: case record reviews of critical incidents, abuse, neglect, and mortality reports. SCDHHS Program Integrity Division (PI) also investigates reports of abuse, neglect, exploitation, and fraud via a toll free hotline. The following evidence supports that the State identifies, addresses and seeks to prevent occurrences of abuse, neglect, and exploitation on an ongoing basis:

- Attachment #32: SCDDSN report of the number of episodes of abuse, neglect, death, and critical incident events occurring during the time period of January 1, 2007 through June 30, 2008;
- Attachment #4, #5, and #6: SCDHHS comprehensive QA report of PDD participants with findings related to health and welfare issues, SCDDSN remediation plan, and SCDDSN final response for the review period of January 1, 2007 through December 31, 2007; and,
- Attachment #33A & 33B: SCDHHS PI report of the investigative actions taken when a complaint was made via the toll free hotline, involving a PDD waiver participant.

V. CMS Assurance: Administrative Authority
Sub Assurance:

A. The Medicaid agency retains ultimate administrative authority and responsibility for the operation of the waiver program by exercising oversight of the performance of waiver functions by other State and local/regional non-State agencies (if appropriate) and contracted entities.

State Evidence: SCDHHS engages in routine ongoing oversight of the PDD waiver program. Responsibilities include but are not limited to: enforcing the terms and conditions of the Memorandum of Agreement, improving and clarifying policies and procedures to ensure system performance and waiver operations. The following evidence represents delegated functions, and implementation of policies/procedures related to the administrative authority over the PDD waiver program:

- Attachment #34A & 34B: PDD waiver services contract between SCDHHS and SCDDSN, which was effective January 1, 2007, and amended effective January 1, 2008;
- Attachment #35: SCDHHS and SCDDSN Memorandum of Agreement to ensure an understanding between SCDHHS and SCDDSN regarding operation and administration of home and community-based waivers;
- Attachment #36A, 36B, & 36C: Copies of SCDHHS and SCDDSN Waiver Staff meeting agendas which occur on a bimonthly basis or more often as needed to discuss various aspects of waiver operations; and,

- Attachment #4, #5, and #6: SCDHHS QA report as a result of comprehensive, focused reviews performed to ensure SCDDSN and any of its subcontracted providers continue to follow outlined policies and procedures and to evaluate waiver progress, SCDDSN remediation plan, and SCDHHS final response.

VI. CMS Assurance: Financial Accountability

Sub Assurance:

- A. State financial oversight exists to assure that claims are coded and paid for in accordance with the reimbursement methodology specified in the approved waiver.

State Evidence: *SCDHHS Fiscal, Audits, and PI staff conduct ongoing monitoring of finances. The QA process is also used to monitor paid claims data and participant utilization reports. Cost reports are developed to ensure that funds are being applied and used properly by analyzing financial records maintained by the state, sub-state entities and providers. All findings are used to determine needed improvements as well as corrective actions. SCDDSN conducts financial oversight through a review of claims to ensure that they are coded and paid for in accordance with the reimbursement methodology specified in the waiver. Claims must meet all applicable criteria to be submitted to MMIS for payment at which time the billing code determines the rate of reimbursement. The following documents provide evidence that the State monitors claims to assure they are coded and paid for accordingly:*

- Attachment #4, #5, and #6: SCDHHS comprehensive QA report of PDD participants with findings related to financial accountability issues, SCDDSN remediation plan, and SCDHHS final response for the review period of January 1, 2007 through December 31, 2007;
- Attachment #37: SCDHHS' PI Division is responsible for conducting an independent review of all QA reviews conducted by SCDHHS staff to validate review findings and process applicable Federal Financial Participation (FFP). The review referenced in Attachments 4, 5, & 6 is currently in progress with PI; however, the protocol for PI has been included;
- Attachment #38: SCDHHS Fiscal reports as of June 2008, covering expenditures for the State Fiscal Years of 2006-2007 and 2007-2008, including average transactions per participant and cost per participant;
- Attachment #39: SCDDSN report of PDD waiver expenditures for the time period of January 2007 through June 2008;
- Attachment #40: SCDHHS recoupment log for the reporting of indicators found to be non-compliant during SCDDSN QIO reviews. The attached log identifies a PDD waiver participant whom was found to be out of compliance due to a missing service plan (refer to Attachment #15);
- Attachment #41: SCDHHS electronic correspondence notifying SCDDSN of erroneous billings for Targeted Case Management (TCM) services for participants enrolled in the PDD waiver, which was to be billed under the PDD waiver case management rate; and,
- Attachment #42: SCDDSN list of reimbursements made to SCDHHS for the erroneous billings of TCM services for participants enrolled in the PDD waiver (refer to Attachment #41).