



# Office of Multnomah County Auditor

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Date: August 16, 2016

To: Chair Kafoury; Commissioners Bailey, Smith, Shiprack, & McKeel;  
COO Madrigal; DCHS Director Wendt; ADVSD Director Brey;  
ADVSD Deputy Director Girard

From: Steve March, County Auditor

Re: Report to Management – ADVSD Public Guardian Program

Aging, Disability & Veterans Services Division (ADVSD) was included on our 2015-16 audit schedule. We performed audit work in two areas, Public Guardian and Community Services. This report focuses on the work of the Public Guardian Program (Program). The Program performs guardianship and/or conservatorship services under court order for those that are at high risk and unable to care for themselves. Because the Program has, in many cases, legal authority over both health and financial decisions of vulnerable persons we determined it was essential to perform an audit in this area.

Overall we found a well designed and managed program, that showed an increase in performance with the addition of an additional deputy guardian. Besides caseload and service demands, we noted limitations in their database systems and case file review processes. We would like to thank ADVSD management and staff for their cooperation in this audit. They have responded positively to our recommendations and are performing quarterly reviews of program performance measures and working with IT on the database issue. Additionally they plan to develop a full case file review process. Their written response can be found at the end of this report.

Annamarie McNeil, CPA and Marc Rose, CFE, performed the audit of ADVSD. This and other audits may be found at our website: <https://multco.us/auditor>



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## Report to Management: Public Guardian Program

Overall Procedures and Internal Control Processes were found to be  
In Place, Well Designed, and Implemented  
Annamarie McNiel, Senior Management Auditor  
Marc Rose, Senior Management Auditor

### Executive Summary

The Public Guardian/Conservator's Program (the Program), within Multnomah County's Department of County Human Services' Aging, Disability, and Veterans Services Division, obtains and implements court-appointed guardianship and/or conservatorship for people who are profoundly mentally incapacitated, unable to care for themselves, and currently at high risk due to abuse, exploitation or extreme self-neglect<sup>1</sup>. Public Guardian and their deputies assist in making varying levels of decisions with and on behalf of the incapacitated person (client). The Program serves a small but very vulnerable population and has legal authority over some or even all, in some cases, of the client's health and welfare decision making; therefore, we determined the Program to be inherently risky. Due to the level of decision making for these persons and the inherent risk, we determined it was essential to perform an audit of this program since it had not been audited since 2000.

Overall we found procedures and internal control processes to be in place, well designed, and implemented. Program management was involved in the operations of the Program and well informed on the details of client cases. Through our analysis we observed that relief to caseload levels per deputy, with the addition of a deputy guardian to the Program in fiscal year 2016, resulted in an increase in program performance.

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<sup>1</sup> Multnomah County Public Guardian website at <https://multco.us/ads/public-guardian-program>

## Audit Objective

The objective of this audit was to evaluate the processes and procedures in place to protect and support clients and their resources.

## Background

### Who the Program Serves

The Program serves a small but very vulnerable population. The population of clients served is adults ages 18 and older and come from a variety of backgrounds, levels of incapacitation, and situations that led to their court-appointment with the Public Guardian.

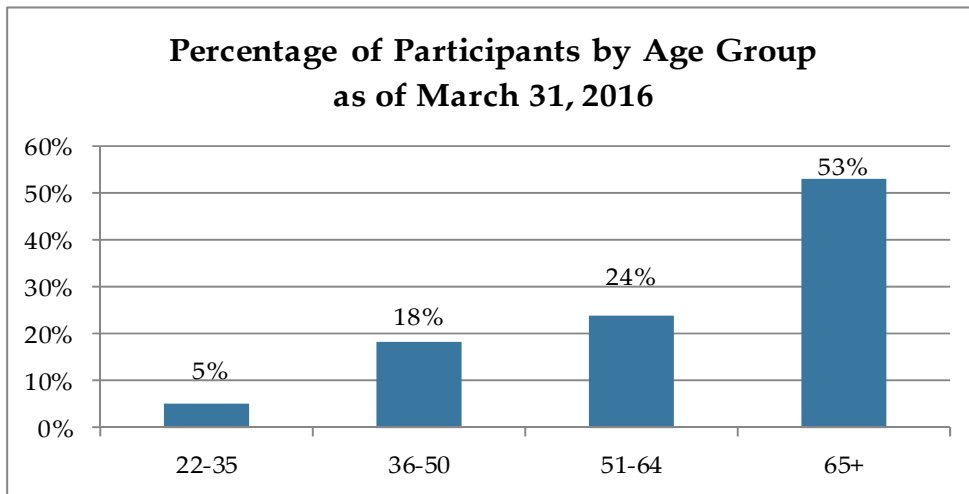
Summary of Clients Served By the Program	Active Clients At March 31, 2016
<b>Number of active clients</b>	159
<b>Average length of time a client is served</b>	9 years
<b>Experienced homelessness prior to court-appointment</b>	26%
<b>Currently placed/housed</b>	98%

*Source: Public Guardian database*

Based on our review of the Program's database, there were 159 active clients as of March 31, 2016. The Program has served clients an average of 9 years. Ninety-eight percent of these clients were placed in a facility, care or group home, or were living independently with supports at March 31, 2016. The remaining 2% (3 clients) were in another setting or not yet placed. Based on case file notes, we identified at least 26% of these active clients had experienced homelessness at some point prior to their court-appointment to the Program.

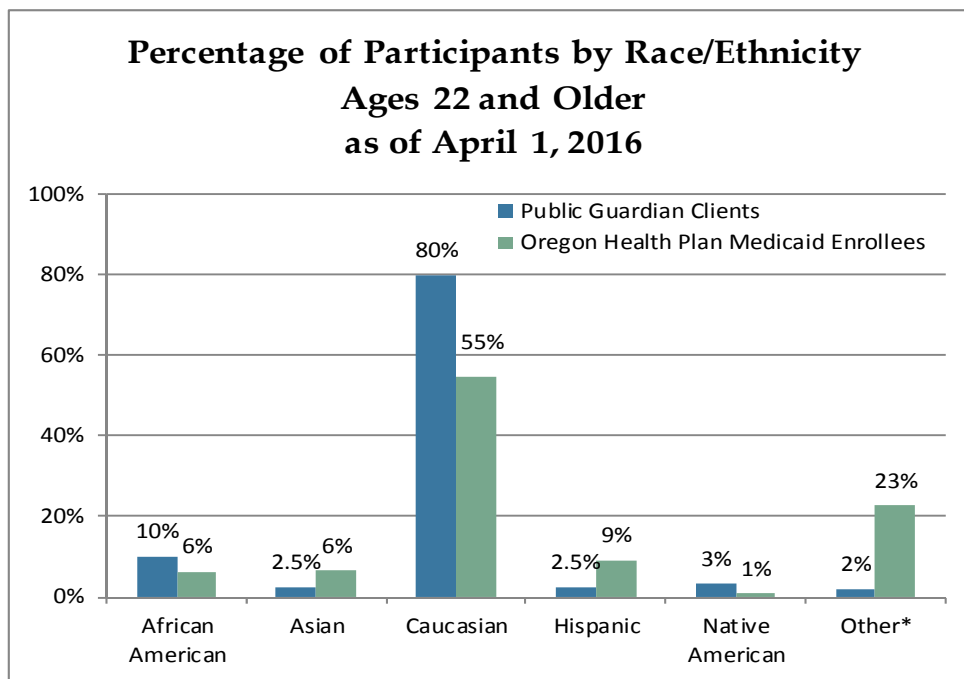
From July 1, 2015 to March 31, 2016, there were 171 clients in the Program. The Program closed 12 cases and opened 21 cases during this period. Additionally, Program staff spend a significant amount of time working with community partners prior to guardianship and/or conservatorship court-appointment to ensure that less restrictive alternatives have been explored and the appointment is the best option. This effort also includes a lot of time towards diversion options to identify a more appropriate resource or placement in a less restrictive environment.

The majority of the Program's clients are ages 65 and older. However, 23% of participants are age 50 and under. For those ages 50 and under, nearly 90% have an initial primary incapacitation diagnosis related to mental health or developmental disability. For the persons age 65 and older, about 45% have an initial primary incapacitation diagnosis related to dementia.



Source: Multnomah County Public Guardian database

Most of the participants in the Program are on Medicaid; therefore, we compared the demographics of the Program's clients to the Oregon Health Plan (OHP) Medicaid enrollees<sup>2</sup> for persons age 22 and older to see if the Program was representative of this particular population.



\*Other includes unknown and indeterminate

Source: Multnomah County Public Guardian database & Oregon Health Plan Report

<sup>2</sup> Oregon Health Plan data presented is for the coordinated care organizations (CCO) that cover the tri-county members (Multnomah, Clackamas, and Washington counties) Health Share of Oregon and Family Care.

The demographics reflected above provide support for the Program’s effort to provide enhanced outreach and education on legal surrogacy to communities of color and other underserved populations as has been outlined in the Program’s FY2017 budget program offer.

The OHP Medicaid enrollees have a high percentage of unknown/indeterminate in the demographics presented above. If these enrollees had an identified race/ethnicity the results may differ from that shown above. However, it still would show Asian and Hispanic populations as under-represented by the Program and Caucasians as at least slightly over-represented compared to the OHP population.

### Who is Making Referrals to the Program

Referrals to the Program come from a variety of sources. For active clients at March 31, 2016 the primary referral sources came from the following:

Referral Source Type	Active Clients At March 31, 2016
<b>Community Support Services</b> <i>Case Managers, Adult Protective Services, etc</i>	48%
<b>Hospital or Care Facility</b>	36%
<b>Court or Attorney</b>	10%

*Source: Public Guardian database notes*

### Program Funding

The Public Guardian Program is funded by the County’s general funds. The FY2016 budget was about \$1.4 million. Personnel costs account for about 83% of the Program’s budget. The client’s individual costs, such as housing, are covered by the client’s resources, typically Social Security. In some cases the County serves as the client’s representative payee and manages funds on the client’s behalf through a trust fund.

### Audit Results

#### Caseload Analysis

Based on the National Guardian Association (NGA) Standard #23 the “guardian shall limit each caseload to a size that allows the guardian to accurately and adequately support and protect the person, that allows a minimum of one visit per month with each person, and that allows regular contact with all service providers”.

Due to the inherent risk of this program, as it relates to the clients served, managing caseload levels is critical to the Program’s success. Under the supervision of the Public

Guardian, the Program’s public guardian deputies (deputies) are the persons responsible for overseeing client cases. Each Program deputy is a National Certified Guardian in accordance with state statute requirements. The deputies have a responsibility to protect and support their clients. The Program must ensure the deputies have adequate capacity to fulfill their responsibilities.

In October 2015 a new deputy position was filled based on additional funding to the Program. The new deputy began taking on a caseload gradually through transition planning. This resulted in relief to caseload levels per deputy and an increase in program performance. This was evidenced by the significant improvement in the number of monthly site visits as noted below. We also noted file documentation was cleaner, more accurate, and timelier as evidenced by our findings and observations identifying some minor errors occurring prior to the additional deputy being onboard. Once the additional deputy was added it allowed all the deputies more time with each of their assigned cases. This is also consistent with our testing as we did not identify any observed errors once the additional deputy position was in place.

	Prior to the new deputy position July 2014 – Dec 2015	After the new deputy position March 31, 2016
<b>Number of deputy guardians</b>	4	5
<b>Clients receiving monthly site visits</b>	46%	94%
<b>Caseload per deputy</b>	38	32
<b>Number of clients served</b>	150	159

*Source: Public Guardian database*

We support the continued funding for the 5<sup>th</sup> deputy position in the Chair’s adopted budget for FY2017. Additionally, we believe the department should monitor the impact on individual client service caused by pressures for increased capacity.

### **Other Observations**

While we found the program to be well managed overall, we did have a few observations worth noting.

#### *Observation 1 – System Limitations Create Opportunities for Errors*

The Public Guardian program utilizes several Access databases which are not officially supported by the County’s IT department. The use of several different systems creates a lot of manual entry, duplication of entry, and high risk of manual errors. For example, we

identified an account in the financial database with a balance that should have been closed. Program staff closed this account in the program database and completed all the necessary legal forms and procedures. However, a small balance remained in the trust account for several years after the person's account had been closed with the courts in mid 2009. It is typical to keep a balance for a period of time to help pay for any after death costs that may arise, but any remaining funds would be distributed to beneficiaries once enough time has passed. At the time of testing nearly seven years had passed and staff were surprised to find this account still had a balance. The financial and program databases are completely independent of one another and there is nothing to alert the program staff that the balance remained once it was closed in the program's database. Fiscal staff maintain the financial records with regular reporting to program staff; however, no matching is performed and it would need to be done manually. The Program staff responded immediately once this issue was brought to their attention and contracted the heirs for the estate, issued final distribution payments and closed the account. Additionally, our procedures included a complete analysis of all accounts with financial activity and this was the only account identified as having this issue.

*Observation 2 – Missing Verification for Program Manager Review*

We tested a sample of annually filed court reports. We were unable to verify that program manager review occurred on 3 reports (out of 42 tested). It should be noted that the missing reviews were from early 2015 (March & April) and documentation later in the year and early 2016 were observed without issue. The Program has since added the program supervisor to the review process to assist with workload and address this issue.

*Observation 3 – No Established Formal Review Process for Case Files*

While we noted several review processes for the various tasks performed by the Program, we did not find a formal comprehensive review process for the overall case files. In addition, the NGA Standard #24 outlines a standard of practice for establishing an independent quality assurance review process, a standard the Program has not implemented. We recommend that the Program explore options for the most efficient and cost effective process to review case files and meet professional standards.

## **Recommendations**

1. We recommend that Program management perform periodic evaluations of client caseload and service demands and continue to evaluate that the number of deputy guardians is adequate in order to appropriately handle caseload levels to ensure client protection.
2. A new database program is currently included in IT's FY2017 budget. We recommend that IT continue to support this project.
3. We recommend the Program make it a priority to explore options for the most efficient and cost effective process to review case files and meet professional standards.

## **Objectives, Scope and Methodology**

The objective of this audit was to evaluate the processes and procedures in place to support and protect clients and their resources. We reviewed Oregon State Statutes and Law, County Code, Program policies established under Board Resolution, professional standards (National Guardianship Association's Standards of Practice), and previous audits conducted by this office.

We performed interviews of department and program management including the Public Guardian, deputy guardians, and program and fiscal department staff. We analyzed data and case files during the period of time covering fiscal year 2015 and fiscal year 2016 through March 31, 2016. We reviewed randomly selected cases or cases that were identified for review because of unusual circumstances. We analyzed management's supervision, annual and final accounting to the Court, client account asset levels, the application and collection of program fees, and client account and program financial activity. The Program's client database reports were analyzed to determine service and staffing trends. The Program's financial Access database was reconciled to the County's financial system (SAP) to ensure completeness of the financial data. We relied on case file data as entered by Program staff for non-financial data; however, we performed comparability checks where feasible to test completeness of data.

This audit was included in our fiscal year 2015-2016 audit schedule. 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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions.



# Department of County Human Services



Aging, Disability & Veterans Services Division

Date: August 15, 2016  
To: Steve March, Multnomah County Auditor  
From: Peggy Brey, Director  
Subject: Response to Report to Management – ADVSD Public Guardian

Thank you for your observations and recommendations contained in the above report. It was a pleasure working with the auditor. The metrics and analysis provided will assist the program in moving forward with continuous and quality improvement efforts. We especially appreciate your findings and support related to program capacity. It is imperative that we maintain the necessary resources to provide the quality of service that is expected of professional, Certified Guardians through the national Center for Guardianship Certification, and are essential in meeting the needs of legally protected persons who are served by the program. ADVSD is committed to the following actions in response to your recommendations.

**Recommendation: Recommend that Program management perform periodic evaluations of client caseload and service demands and continue to evaluate that the number of deputy guardians is adequate in order to appropriately handle caseload levels to ensure client protection.**

Response: Public Guardian will continue to evaluate program performance measures on a quarterly basis, including caseload acuity analysis, and continue with additional quality assurance reviews, i.e. management review of annual guardian reports/accountings, caseload checklists, legal filings; bimonthly case staffing during direct reports; review processes for personal and real property oversight. These processes will ensure that current staffing patterns are adequate to meet National Guardianship Association (NGA), Standards of Practice, and all statutory requirements. This review process also looks at performance metrics for client monitoring visits, interventions to address client needs, client contact data and management reviews for compliance with court reporting standards.

**Recommendation: A new database program is currently included in IT's FY2017 budget. We recommend that IT continue to support this project.**

Response: The Program has worked with dedicated IT staff to develop a Request for Information that has been posted on the County website and notified interested vendors as a first step in exploring available database solutions. The process is moving forward to evaluate vendors and assess the feasibility of purchasing replacement database software for both the client, and fiscal side of the program. The Program database has been identified as a priority IT project for ADVSD.

**Recommendation: We recommend the Program make it a priority to explore options for the most efficient and cost effective process to review case files and meet professional standards.**

Response: Management will develop and implement a full case file review process that will be applied to an ongoing representative sample of cases for enhanced oversight and monitoring of compliance with fiduciary practice, statutory and program standards. As identified in *Observation 2*, we have also added the Program Supervisor to our court report review process to ensure that 100% of Guardian Reports and Annual Accountings are reviewed by management for quality purposes. In addition, process mapping projects for medical decision making and court reports have been conducted to identify risk reduction areas and streamline processes to enhance performance and maintain professional standards. The Program will evaluate other cost effective and beneficial options for independent review of program performance as identified in NGA Standard #24.

Again, thanks for the opportunity to work with your team. We are committed to acting on the recommendations in service to and transparency, quality and improved service.