

# Services for People with Intellectual and Developmental Disabilities

Quality of Care at Risk

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Multnomah County Auditor's Office

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## Report Highlights

### What We Found

The mission of the Multnomah County Intellectual and Developmental Disabilities Services Division (the Division) is to increase people's quality of life by helping them fully access their community through coordinated case management. The Division provides case management services to approximately 1,800 adults and 2,100 children with about 90 case managers and receives approximately 85% of its funding for these services through the state of Oregon.

We found the Division's ability to provide quality care is at risk because of the number and pace of significant changes mandated by the state. The state has not adequately funded all of these changes and has put a complex funding system into place. The destabilizing impact of these changes and funding pressure at the county level have resulted in high caseloads and turnover, case manager strain and burnout, morale issues, and complaints from clients and their families.

Organizational change is difficult under the best of circumstances. When the magnitude of changes are transformational and the organization's systems are already complex, changes must be skillfully managed and adequately funded to prevent or at least minimize problems. Even though the state requires implementation of its changes, the Division still has the responsibility of maintaining the quality of services to clients as well as the stability of its program.

The Division continues to adjust operations to accommodate state changes. For example, the Division is evaluating the services it is not required to provide, analyzing its organizational structure, reducing the time it takes for case managers to complete required documentation, and providing templates and tools that help case managers do their jobs. The Division is negotiating funding levels and payment rates with the state and working to improve staff retention and overall morale. Case managers in the Division are still struggling to fulfill state-mandated changes. Some of the problems we found will take time to resolve.

### Why We Did This Audit

This audit was included in the issued audit schedule for 2018 by the previous Auditor. Auditor McGuirk continued the audit because the Division serves a vulnerable population in our county.

### What We Recommend

The Division should:

- Continue its efforts to respond effectively to state-mandated changes.
- Keep demonstrating to the state the risk to clients and negative impacts of rapidly paced, transformative changes on the stability of the Division's system and case managers.
- Complete documentation in a timely fashion.
- Strengthen its case note monitoring.

## About the Intellectual and Developmental Disabilities Services Division

The state contracts with the county to provide services to individuals with Intellectual and Developmental Disabilities (I/DD). The mission of Multnomah County Intellectual and Developmental Disabilities Services Division (the Division) is to increase people's quality of life by helping them fully access their community through coordinated case management. The Division helps people live independent and healthy lives in the community and choose the activities, supports, and living arrangements that are right for them. The Division works to ensure that people with disabilities have the same opportunities as all county community members while providing services to address their vital health and safety needs.

The Division employs about 90 case managers to help clients connect with services, resources, medical equipment/supplies, and other supports in the community. They also monitor clients' living situations, individualized support plans that detail client supports, activities, and resources to achieve personal outcomes, financial records and any medical needs or behavioral matters. While our audit focused on case management, the Division includes staff who evaluate child foster homes for certification, as well as staff who provide support to case managers and providers. Additionally, the Division is responsible for abuse investigations and eligibility determinations.

In 2018, the Division reassigned 12 case managers to perform Oregon Needs Assessments (ONA), a new state requirement. As explained in more depth later, state requirements do not allow ONA assessors to perform other case management activities. The Division does not expect any ONA assessors will return to case management in fiscal year 2020.

The Division determines eligibility for all individuals and provides case management services to both adults and children in a variety of settings. People with I/DD who are 18 or older may choose to have the Division or one of five brokerages provide their case management services. Brokerages are private organizations that have contracts with the state to provide support services through in-home and community-based case management. The state allows brokerages to set caps on the number of adults they serve; however, the county cannot set caps.

Most children who are eligible for services receive them from the county in their own homes. The Division provided case management to approximately 1,800 adults and 2,100 children per month during FY 2018.

A key service available to people with I/DD is attendant care. A person with I/DD or their representative may hire a personal support worker to assist them to perform activities of daily living and to help meet their goals as spelled out in their individualized support plan. One part of the individualized support plan determines the number of hours a personal support worker is authorized to work. The client, or their representative, is the employer of the personal

support worker and approves their timesheet every two weeks. Once approved, personal support workers enter their time into the state of Oregon’s Express Payment and Reporting System (eXPRS). The Division reviews the time of about 1,500 personal support workers every two weeks making sure time reported is properly authorized and includes a progress note, and to report any identified timekeeping issues to case managers.

### The state largely dictates the Division’s operations and funding levels

The state’s Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OARs) largely dictate how counties throughout the state carry out their I/DD programs. The state also controls the Division’s funding levels. The state Office of Intellectual and Developmental Disabilities is the central office that supports the administration of I/DD programs by providing strategic planning, program funding, policy development, general oversight, and technical support. The state Quality Improvement Unit performs field reviews of the Division on a two-year cycle to ensure compliance with Medicaid and state rules and regulations. The state Office of Training, Investigations and Safety reviews all the Division’s Abuse Investigation unit reports.

As shown below in FYs 2016 through 2019, the state funded about 83% to 87% of the Division’s services. Although funding from the state significantly increased in FY2017, so did county responsibilities.

The Division relies significantly on funding through the state.



Source: Auditor’s Office Analysis of SAP data. FY2016 through FY2018 are actual amounts and FY2019 is budgeted.

## Audit Results

### The Division is dealing with the effects of significant operational changes mandated by the state

When we began the audit, the Division was dealing with significant changes from the state. Looking at the impact of these changes, we found:

- funding uncertainties
- state administrative requirements rolled out at a rapid pace
- increase in caseloads among case managers
- case manager strain, burnout, and high turnover
- morale issues
- frequent client case manager changes
- instances of client case transfer problems
- instances of not meeting the required frequency of client site visits
- late client case notes
- complaints by clients and their families
- gaps in training

We generally found the Division working to respond to these problems, which we discuss below. However, the state-mandated changes created a destabilizing level of stress on the Division's system and put their capacity to provide quality care at risk. Although state-mandated changes are the root cause of these problems, other influences may also be a factor.

### The impact of state changes on the Division are difficult to manage

When we refer to state changes, we understand there may be some influences the state has little control over that are driving their actions. Whether the number, pace, or continuous nature of the state's mandated changes were due to requirements from the Centers for Medicare and Medicaid Services, other federal regulatory entities, the state legislature, legal settlement agreements, or otherwise, the state has not managed transformational changes well while pushing them down to the county.

Organizational change is generally difficult under the best of circumstances. When the magnitude of changes are transformational and the organization's systems are already complex, changes must be skillfully managed to prevent or at least minimize the problems we found above. Even though the state mandates changes at a rapid pace, the Division still has the responsibility of maintaining the quality of services to clients and the stability of its system.

There is an abundance of change management literature. We used the organization change model of Fernandez and Rainy to evaluate the impact of state-mandated changes on the Division because their work has been specifically applied to social services. The state does not

do well using these criteria and its resultant negative impact is evident at the Division. Appendix A illustrates the impact of state changes on the Division.

### The K-Plan fundamentally changed Oregon's I/DD system by increasing the number of people served

The K-Plan, also called the Community First Choice Option, allows states to provide home and community-based attendant care services and supports to eligible Medicaid enrollees under their state plan. The Affordable Care Act established this state plan option. Oregon is using the agency-provider model of service delivery, in which the county, under contract with the state, provides K-Plan services. Under program guidelines, the county provides services in a manner that highlights consumer direction and person-centered practices.

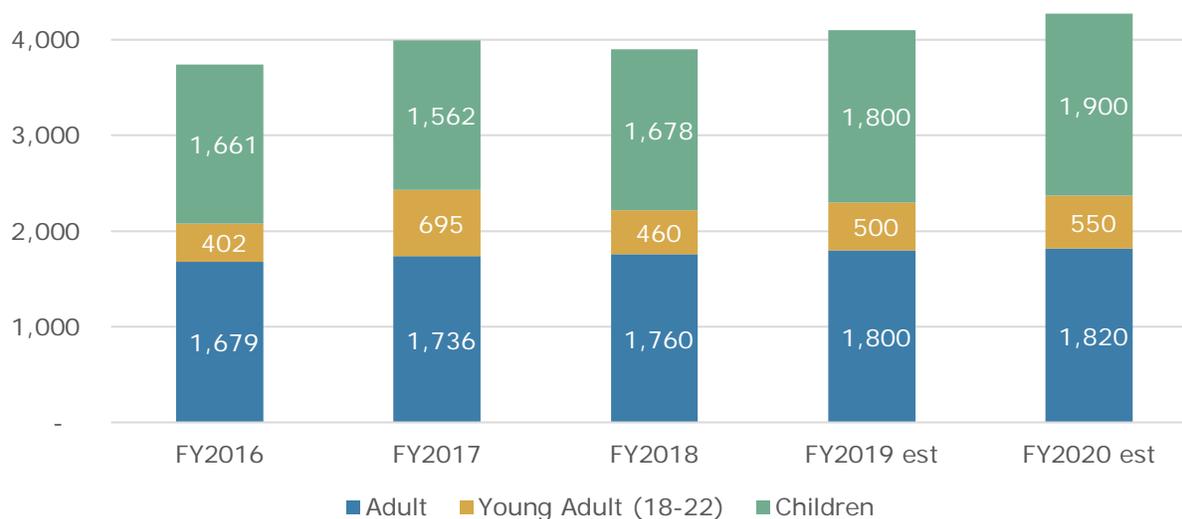
When the state moved most I/DD services to the K-Plan in FY2014, it created an entitlement to services for any individual who is eligible. In exchange, the state received a six-percentage point increase in Federal Medicaid match for expenditures. However, the increase was insufficient to cover the growth in costs due to the increase in in-home supports and the number of eligible persons. Since Oregon implemented the K-Plan, the number of children who are eligible to receive services significantly increased.

The K-Plan removed most of the caps on services (increasing service costs) and limits on eligibility (increasing number served) that helped control pre K-Plan costs. In addition, the K-Plan provided children more access to in-home supports funded through Medicaid.

### The K-Plan increases the Division's funding needs and case manager workloads

Over 80% of the Division's funding comes from the state. At the state level, even with the six-point percentage increase from Medicaid, the K-Plan increases funding pressures because more people are eligible to receive services and the services provided are more costly. At the county level, the K-Plan increases the Division's case manager workload and funding needs. County workload increases further when brokerage firms reach their capacity and limit the number of clients they serve. As a result, the county, which cannot impose such limits, must manage services for clients who may otherwise have chosen case management by a brokerage firm.

The Division continues to experience an increase in clients served. Number of clients served increased by 14% since FY2016.



Source: Multnomah County Adopted Budgets

The K-Plan also added administrative tasks to case managers that significantly changed how they performed their job duties. Case managers must now perform additional assessment and process steps. Focusing more on administrative tasks takes time that case managers would otherwise spend with their clients. Some case managers we talked with view the shift to more administrative tasks as interfering with building relationships with clients.

In response to K-Plan changes, the Division developed a technical support unit to assist with the increase in case manager administrative tasks. Management also focused more on the Division's culture by holding monthly all staff events, brown bags, and case manager retreats. Management recently changed its hiring practices to search for case managers with both people and administrative skills. Finally, the Division is collaborating with other counties on best practices for case management.

### Oregon Needs Assessment changes stretch case manager resources

During FY2019, the Division implemented a new required state assessment instrument called the Oregon Needs Assessment (ONA). An ONA is required in order to receive I/DD services and determines level of care requirements as well as functional needs for clients. The Division began doing ONAs in July 2018. Prior to the ONA, the Division conducted different types of assessments. For example, case managers completed different assessments for adults and children.

With the ONA changes, the state no longer allows case managers to perform assessments. Instead, ONA assessors, trained as neutral parties, are intended to provide consistency in conducting assessments. In addition, the shift to ONA assessors performing assessments

addressed a concern that case managers might have a bias towards increasing their client's level of supports.

To meet the state's ONA requirements, the Division trained approximately 12 case managers as ONA assessors with the expectation that fewer ONA assessors would be needed once all clients had an initial ONA. Moving forward after gaining experience with ONAs, the Division learned that all ONA assessors will be needed to conduct assessments.

In FY2019, the state did not adequately fund the new ONA requirements. The Division had to make considerable adjustments to implement the new ONA requirements including the reassignment of case managers to perform only ONA assessments. The Division also hired temporary employees to backfill some of the case managers that moved to ONA assessors. The Division redistributed clients of those case managers to other case managers, increasing their average caseloads. Further, employing temporary case managers made it more likely that some clients would have multiple case managers, which can disrupt services to clients.

ONA changes caused other problems:

- Case managers had trouble coordinating with ONA assessors on their visits with clients. Case management can be more successful when case managers are included from the beginning in the decision-making process.
- ONA assessors had some early problems with consistent assessments.
- The shift of case managers to ONA assessors put pressure on the remaining case managers to achieve needed billable contacts to maximize available funding.
- The state provided an ONA written only in English. Many families receiving Division services do not speak English.
- An important part of the client assessment, the Risk Identification Tool, was not included in the ONA but continues to be done separately by case managers.

According to management, the Division fixed the initial scheduling difficulties between ONA assessors and case managers, and the problems with ONA consistency is improving as ONA assessors gain more experience. The Division is developing a case transfer procedure that should be ready by the end of September 2019. The state's 2019-21 biennium funding model specifically identifies funding for ONA assessors. However, 13 months after rollout, the state has yet to make the ONA assessment document available in other languages or include the Risk Assessment Tool in the ONA.

## Increased caseload size and frequent changes in clients' case manager have negative impacts for the Division and the client

Changes in case manager can be disruptive to clients and their services. We performed a case study<sup>1</sup> on 61 randomly selected clients. Of these clients, we found that 33 clients (54%) had more than one case manager within a 21-month period (January 2017 through September 2018). Of these, eight clients (13%) had four or more case managers. Some of the transfers can be explained by staffing changes such as case managers moving to a different team within the Division or to another program within the county, or retirements. Additionally, a case may transfer from one case manager to another when the client's living situation changes or when they move from one eligible group to another (child to adult). A client may also request a case manager change. The Division may also move cases around in an effort to balance caseloads between case managers.

Majority of clients experienced a change in case manager.

54% of the Division's clients in our case study had two or more case managers while 13% had four or more case managers in a 21-month period



Source: Auditor's Office case study

Clients were frustrated with case manager changes and upset about the Division's responsiveness. Consequently, the Division's reputation in the community suffered. Due to

<sup>1</sup> Our objectives involved comparing practices with established policies and guidelines that are related to complex human experiences and/or outcomes. We used a case study approach to help make these complex instances more understandable and less abstract to audit audiences by describing what is happening and providing a proxy experience. We randomly selected the sample from eligible clients as of 10/1/2018 with a county case manager. We evaluated the sample to ensure it was proportional to the population it was selected from.

funding constraints and the newly required ONA process, we found case managers' average caseload size substantially increased from 45 to 60 clients. As a result (and shown below), case managers were not completing all required site visits or monitoring of their clients. Site visits are critical to monitoring the health and safety of clients and ensuring quality of care. A case manager can meet with a client for a site visit in the client's community, place of employment, or day program location.

Based on a client's service type, a quarterly site visit may be required. Quarterly site visits should be conducted at each child or adult foster home and each 24-hour residential program setting. Of the 61 clients in our case study, 23 of the clients required quarterly site visits. These 23 clients required a combined 156 site visits during the 21-month period of January 2017 through September 2018. During this period, we found 23 of those site visits where either late or missed.

Nearly one-fifth of the 23 site visits that were late were over six months past due. Of the 156 required site visits for the cases we studied, 23 quarterly site visits were missed or late.

	less than 2 months past due	between 2 & 6 months past due	over 6 months past due	Total missed or late
# of site visits	10	9	4	23
% of total	44%	39%	17%	100%

Source: Auditor's Office case study

Of these 23 clients who required quarterly site visits, we noted that the missed or late site visits were associated with 14 clients. In other words, 61% of the clients who required a quarterly site visit had one or more of those requirements missed or it was late. It is important that case managers perform site visits to help ensure care is provided according to the individual's support plan and monitoring health and safety of clients.

Based on a client's service type, a client may require specific monitoring of their financial records, medical needs, and behavioral matters. Case managers use checklists to accomplish these monitoring requirements. As part of our case study, we examined case notes and documents to determine if required monitoring was occurring. Of the 61 clients in our case study, we identified 26 of the clients (as shown below) that required this monitoring. In addition to required monitoring of service plans, program rules require case managers to monitor medical and behavioral matters annually and financial records twice a year.

These requirements resulted in the 26 clients requiring a combined 202 required checklists during the 21-month period of January 2017 through September 2018. During this period we were unable to substantiate that 55 (27%) instances of the required monitoring were performed. These exceptions were associated with 18 clients. In other words, for 69% of the clients who required a monitoring checklist, we were unable to substantiate that one or more of those requirements occurred. We noted that these clients had specific risks identified in their Risk

Identification Tool associated with the missed monitoring, such as financial exploitation, medical, and/or mental health/behavioral threats.

Over two-thirds of the cases studied had missing monitoring checklists.

Of the 26 clients who required monitoring checklists for the cases we studied, 18 clients had one or more missed checklists.

	No missed checklists	1 to 3 missed checklists	4 or more missed checklists
# of clients	8	13	5
% of clients	31%	50%	19%

Source: Auditor's Office case study

Our case study involved reviewing the case notes, completed forms, and other documentation available in the Division's case management software. We also attempted to visit clients in their living situations but clients denied the request (which is completely within their rights to do so). Therefore, the impact of the exceptions noted above may or may not have a direct impact on client health and safety and monitoring of quality of care – but we do believe the risk of such an impact exists.

During our case study, we also evaluated case notes. We identified case notes that were not being entered on a timely basis. In order to ensure timely billing of encounters and accuracy of case notes it is important for case managers to enter notes as soon as possible. We found that 10% of billable case notes for the period of January 2017 through May 2019 were entered more than 30 days after the service date. This was not isolated to specific case managers. Late case notes pose the risk of inaccurate or incomplete information being entered and could cause a delay on receiving funding for billable activities.

### The Division's funding changed from simple and predictable to complex and uncertain

In FY2015, the state began requiring case managers to bill for their client contacts (fee-for-service). In response, the Division sets a minimum number of billable contacts for each case manager to obtain available state and Medicaid funds. This was a significant change in the way the Division operated and added more pressure to its system.

According to management, the state has not adequately funded mandated changes. Prior to funding changes, the state paid the Division evenly throughout the year, with each monthly payment at a predictable 1/12th of the total amount of funding. The state now requires case managers to bill for their contacts (fee-for-service) and adds a complex structure in order for the Division to maximize the available funds.

Division management informed us that staffing level costs in the state's funding model are too low because the state's funding model does not take into account that Multnomah County has a

higher cost of living than other counties in the state. In addition, since Multnomah County serves more clients than any other county in the state, its management structure is robust and is not fully funded by the state.

Case management is paid for based on a billable rate set by the state times billable contacts with clients. The Division, in collaboration with other counties, negotiated a billable rate with the state to more accurately reflect case management costs. Only case managers are allowed to bill for services. For example, based on the state contract, case managers can bill for monitoring a person's individual support plan but cannot bill for informational tasks such as documenting a client's change in status.

The Division has a billable contact target they must meet or lose funding. To achieve the overall target, the Division has set targets for each case manager to attain on a monthly basis. Each case manager is expected to achieve the same targeted amount of billable contacts unless they are a lead, case management senior (higher acuity cases), or are less than full time.

### Focusing more on billable contacts changes the way case managers perform their job and has affected morale

There are varying levels of responses by case managers to the emphasis on billable contacts. Some case managers feel the increased focus on billable contacts places more importance on quantity of contacts rather than quality of care. Case managers also said they are able to meet billable contact targets but struggle to timely document the billable contact into the Division's case management software system.

Both management and case managers indicated there has been a variation among case managers in the number of billable contacts achieved. There are many reasons this may be true:

- Differences in caseload characteristics may make billable contacts more difficult to reach for some case managers.
- Some case managers may be more skilled at time management.
- Some case managers feel pressure to achieve their billable target by working off the clock and do so because they believe they are not allowed overtime. In addition, they fear reprimand if it is taking them more time to achieve their billable contact goals versus their peers.
- There is also a perception that some case managers are performing 'easy' billable contacts (for example - link an individual to a resource by email) versus doing direct contact through site visits or phone calls.

Division management responded to funding and billable contact challenges by emphasizing billable contact training and monitoring. If a case manager is at less than 80% of their billable contact target, this triggers weekly meetings. Before applying the 80% standard, management met with all case managers to be transparent about their expectations.

Another strategy that the Division did to help alleviate billable pressure was to bill for indirect contacts. In May 2019, the Division began analyzing indirect billable contacts and identified about \$300,000 of available billables. An indirect billable is achieved by having a case manager monitor a client's individual support plan by reviewing personal support worker timesheets. The Division plans to continue their work identifying indirect billable contacts because the state allows the Division to claim billable contacts up to one year from the contact date of service. Finally, the Division is training case managers to properly capture and document indirect billable contacts so they can be submitted to the state.

### Changes coming from the state increase workload and are frequently unfunded

This report does not list all of the many changes coming from the state but rather lists some of the most significant changes and their effects. Changes are frequent and Division management and case managers often do not have enough time to adjust to the changes. It is difficult to fully understand the I/DD system and for case managers to explain it to stakeholders given the rapid pace and number of changes.

The state does not always fund changes. For example, the state recently developed a new database called Centralized Abuse Management (CAM) system to better track abuse cases. At the county level, staff must now report abuse information into both the Division's information system and CAM system. This change increased case manager workload and the state did not fund the change. The state also recently required the Division to enter individualized support plan due dates into its information system. While this change does not directly affect case managers, it is still an unfunded task.

### State-mandated changes increase caseload size which can place quality of care at risk

Due to funding constraints and the newly required Oregon Needs Assessment (ONA) process, we found case managers' average caseload size substantially increased from 45 to 60 clients. Properly sized caseloads support clients' quality of life by increasing engagement and supporting clients to make informed decisions based on their individualized support plan goals. Caseloads that are too high can negatively affect continuity and quality of care and contribute to case manager burnout and turnover.

Clients are frustrated with case manager changes and upset about the Division's responsiveness. As noted above, the Division did not contact all clients on a timely basis, some clients had multiple case managers during our period under review, and some case managers said they were too busy to timely enter their case notes into the Division's case management system. In addition, case transfers did not always go smoothly and case files transferred from one case manager to another were not always up-to-date at the time of transfer.

The Division is trying to reduce costs and to decrease case manager's workload with several efficiency initiatives. For example, the Division believes the time case managers spend completing individualized support plans is too long and has provided templates and tools to help staff do their work. The Division is also trying to communicate better and be more transparent about efficiency improvements. Finally, the Division is analyzing its organizational structure to gain efficiencies.

### High case manager turnover puts more stress on the I/DD system

Beginning with the implementation of the K-Plan, case managers must spend more time on administrative work and less time with clients. Together with ONA changes, the Division experienced some turnover, which is to be expected with organizational change. Burnout from high caseloads also causes turnover. Some turnover is also inherent to Division case management as well. From January 2017 to September 2018, the case manager turnover rate was 25%.

Turnover is expensive to the Division and disruptive to clients. The cost of hiring and training case managers takes thinly stretched funds and time away from services. Supervisors must spend more time hiring and training and less time supervising existing case managers. There is also supervisor turnover, requiring some case managers to adjust to multiple supervisors in short time frames.

Turnover can negatively affect clients. As already mentioned, we found clients who had multiple case managers over a short time frame. Clients also had to adjust to newer, less experienced case managers who were understandably not as well versed on the complexities of the Division's system.

### The Division is working to improve case manager training

Throughout the first part of this audit, we heard multiple complaints from case managers about the quality of training as well as the availability of time to train. Case managers described training as hit-or-miss. Based on our interviews, we became aware of the variation in training received by case managers, especially for newer case managers. Additionally, some case managers expressed a lack of adequate training. As part of their normal operations, the Division must provide well-designed training programs. Sufficient preparation by properly managing transformational changes and providing appropriate training is essential to ensuring case managers understand and properly implement required changes.

The Division has since stepped up their efforts to improve training. They began a pilot program that provides a more robust and consistent onboarding program through one-on-one support for new case managers for their first three months. Instead of concentrating training for new case managers when they begin work, the Division is now providing some initial training when they start work but also following up with additional training a few months later to allow better assimilation into a complex, constantly changing environment.

Partially in response to the Division's program not meeting billable contact goals, the Division started working with case managers by examining a month of every case manager's case notes and providing feedback. Cases managers are also provided training on what and how much to put in their case notes to improve efficiency. Finally, the Division will continue to recruit case managers who are deeply committed to service but also have strong administrative skills.

### Improvements in the use of technology will help improve efficiency and reduce the risk of inaccuracies

Case managers must complete a considerable amount of documentation required by state administrative rules. For example, case managers must complete progress notes on all client contacts and create or update individualized support plans. We found that case managers had varying levels of computer expertise.

Case managers must document all client contacts whether the contacts are in the field or over the phone. According to management, best practice is to complete documentation at the time of the contact or very close to it. For example, some case managers document their contacts on their computer when they are with the client but others do not. For those case managers who wait to document client contacts, they must enter their written notes or recollections into the computer later. Using a computer while performing an interview would likely help case managers due to their large caseloads and amount of work they need to complete.

As previously mentioned, we found long delays by some case managers entering documentation into the Division's case management system. Case managers said they do not have sufficient time available to enter documentation into the Division's case management system. Others shared that they do not have such difficulties. It is important that all case managers receive adequate training to ensure proficiency with computer-based tools. Management informed us they are looking at best practices among their case managers and using this as an opportunity to train them.

Getting the most from technology also applies to support personnel tasks. Currently, information entered into the Division's case management system must be manually re-entered into the state's system for billable contacts to be processed. This process involves one office assistant senior who routinely pulls and evaluates the data from the Division's case management system and prepares it for entry into the state's system. Seven other office assistants then help with the manual entry process into the state's system. This process accounts for about 10% of each of the office assistant's workload. A technological solution by the state that allows the Division's system to directly upload information to the state's eXPRS system would free up support staff time which could be used to assist case managers.

### The Division should increase monitoring to help reduce the risk of false case notes

While we identified a risk around the opportunity to create false case notes, we did not find any evidence that this was occurring. However, we found that the Division could strengthen its controls over the documentation of client contacts to help lower the risk of false case notes. The pressure on case managers to reach billable contact hours is an incentive for them to document billable contacts that did not really happen. Case managers also have high caseloads that could possibly contribute to a less than optimal attitude and rationalization of inappropriate actions.

## Objectives, Scope, and Methodology

The objective of this audit was to determine the impact of state-mandated changes on county I/DD case managers and the clients they serve.

To accomplish this objective we:

- Analyzed budgets and other financial information (fiscal years 2016 through 2020)
- Reviewed Division internal controls
- Studied Division policies and procedures
- Conducted over 70 interviews with Division management, case managers, program specialists and technicians, data analysts, as well as with representatives of Disability Rights Oregon and FACT Oregon
- Examined county, state, and federal legal requirements affecting the Division
- Researched change management literature as well as other jurisdictions' audit reports
- Obtained access to Velma, the Division's case management system of record for client data
- Reviewed the state and the Division's strategic plans
- Conducted a case file review of adults and children in various settings for a sample of 61 clients (January 2017 through September 2018 with updates through May 2019)
- Reviewed timing of case notes for all Division case managers (January 2017 through May 2019)
- Obtained the state's and the Division's Quality Assurance Reviews of case management contacts
- Reviewed internal management reports
- Reviewed case manager time entry data in case notes and in the county's time entry system (January 2017 through September 2018)
- Analyzed case management turnover (January 2017 through September 2018)
- Reviewed procurement card transactions (fiscal year 2018)
- Reviewed the results of the Division-administered surveys of clients and service providers.

For this audit, we analyzed financial data for the periods of FY2016, FY2017, and FY2018 from SAP, the County's enterprise resource planning system. Based on the annual review of SAP datasets by the County's external auditor, our office has determined that the data were sufficiently reliable for the purposes of this report.

We also analyzed data from the LUCI database (case management system). The interface to the LUCI system changed to Velma during our audit. We assessed the data reliability and determined that the data were sufficiently reliable for the purposes of this report.

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.

## Recommendations

1. We recommend that between now and the next legislative session, the Board of County Commissioners, county Government Relations, and the Department of County Human Services' management continue to work together to keep demonstrating to the state the high risks to clients' health and safety and negative impacts on the stability of the Division's program and case managers of rapidly paced, transformative changes.

We recommend that the Intellectual and Developmental Disabilities Services Division of the County Human Services Department implement the following recommendations no later than October 31, 2020:

2. Case managers should complete documentation at the time they contact clients or very close to it. Using computers in the field and electronic signatures will help with this effort.

3. The Division should continue to work with the state to develop a process that would allow the Division to upload information to the state's computer system to free up support staff time.

4. The Division should strengthen its monitoring over the documentation of client contacts to lower the risk of false case notes. For example a risk based spot-check validation process could be incorporated into the case note audits that the quality and compliance unit already performs.

5. Case managers are still overwhelmed by state-mandated changes and some of the same problems we found at the beginning of the audit will take more time to resolve. The Division should continue its efforts to improve:

- a. Funding levels and payment rates with the state as well as capturing indirect billable contacts.
- b. Staff retention by hiring case managers with a good mix of people and administrative skills.
- c. Morale by building a better connection between upper level management and case managers through better communication and transparency.
- d. Training of both new and longer term case managers.
- e. Productivity by evaluating best practices among case managers and sharing that information out to all case managers through training opportunities.
- f. Case manager documentation and timeliness by examining case notes and providing feedback.
- g. Coordination between ONA assessors and case managers.
- h. Case transfer procedures.
- i. Case management practices by collaborating with other counties.

## Audit Staff

Craig Hunt, CPA, Principal Auditor

Annamarie McNiel, CPA, Principal Auditor

## Appendix A—Impact of state changes on the Division using Fernandez and Rainey Guidelines for Organizational Change

Guideline	Impact on the Division
<p><b>Ensure the need.</b> Change begins with a persuasive case for closing the gap between the current state and the desired end state that both management and staff want to implement. Clearly state and share a vision that presents an image of the future easy to communicate and that staff find appealing.</p>	<p>Resistance to change is natural and expected. The level of resistance at the Division to various changes (such as a switch to billable hours) combined with low morale and turnover are indicators that this step was not performed well and has had a negative impact.</p>
<p><b>Provide a Plan.</b> Change requires a plan to implement it. The plan should define goals, recognize any obstacles and ways to address them, establish a timeline and identify the best people to make it happen. The plan should also establish standards by which people are held accountable.</p>	<p>We did not find any change management plans from the state. Careful and inclusive planning is required to address concerns that predictably arise with extensive organizational change. The state mentions change in its strategic plan, but their plan falls short of including what is necessary to effectively manage mandated changes that are expected to be put into operation at the Division in a short time frame. Without a solid change management plan, changes fall into complex and often confusing set of directives. It is unreasonable to expect that the Division can smoothly absorb and assimilate the number, magnitude, and pace of changes coming from the state. Change itself becomes an issue and a significant source of resistance.</p>
<p><b>Build Internal Support and Overcome Resistance.</b> Implementing change is a political process of developing and nurturing support from major stakeholders. Widespread participation that span all phases of the change process is crucial to overcoming resistance.</p> <p><b>Ensure Top Managerial Support and Commitment.</b> Without a sufficient number of influential individuals, change efforts are likely to go nowhere.</p>	<p>Transformative changes such as changing to a more administrative system, reducing time spent with clients and placing more emphasis on billable contacts significantly impacts the Division's organizational culture.</p> <p>Although there are regular meetings with the state, we were informed that Multnomah County as well as other counties have not had sufficient influence on I/DD changes or the rapid pace that they are implemented.</p>

Guideline	Impact on the Division
<p><b>Build External Support.</b> Public managers implementing change must display skill in obtaining support from external parties.</p>	<p>The magnitude and pace of changes from the state significantly disrupt services and sow discord among case managers. Given the significance of the changes, they needed to be implemented incrementally to prevent overloading staff and putting clients as well as the Division's reputation at risk.</p>
<p><b>Provide Resources.</b> Transformational change is not cheap. Organizations need resources to implement change. Paying for staff implementing the changes, technical assistance and training are some of the basic needs. Developing new processes and practices, and redirecting the organization are others.</p>	<p>Although the Division has more funding since implementing the K-plan, it also has additional work that outstrips funding increases. The state did not adequately fund some changes such as the ONA. The Division has tried to stay up-to-date with changes and responded by developing new processes and practices. In addition to state funding pressures, the Division had to take a three-percent decrease in county funding.</p>
<p><b>Institutionalize Change.</b> Change must be made permanent. Although necessary, there is more needed than establishing policy and procedures and embedding new processes into the daily routine of staff. Tracking, monitoring and measuring informs management about the extent to which staff have adopted changes.</p>	<p>The state updates and issues new OARs to help institutionalize changes. The state also audits case management requirements at the county for compliance. The Division has responded with their own procedures, tracking and monitoring as well as team building and training.</p>
<p><b>Pursue Comprehensive Change.</b> Management must also focus on the interconnectedness across formal subsystems such as information systems as well as informal subsystems like organizational cultures.</p>	<p>State changes significantly influence the Division's operations as well as its culture. The Division works to take administrative burdens off case managers. The amount of time that case managers can spend with clients, the time it takes to comply with state OAR requirements and a shift to focus on billable contacts reverberate through the Division affecting morale, increasing caseload size and contributing to burnout and turnover.</p>

## Response Letter



**Deborah Kafoury**  
Multnomah County Chair  
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Portland, Oregon 97214  
Phone: (503) 988-3308  
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September 30th, 2019

Jennifer McGuirk, MPA, CIA  
Multnomah County Auditor  
501 SE Hawthorne Blvd., Room 601  
Portland, OR 97214

Dear Auditor McGuirk,

Thank you for your time and effort in auditing and bringing recommendations to the Department of County Human Services (DCHS) Intellectual and Developmental Disabilities Services Division (IDDS). The Division's leadership and staff appreciated the opportunity to talk with you about their work. It was greatly appreciated that you took the time to learn the division and to understand many of its complexities, including understanding the Community Developmental Disabilities Program (CDDP) funding model.

IDDS leadership has been in constant communication with Oregon Developmental Disabilities Services (ODDS), DD Program Managers, the Association of Oregon Community Mental Health Programs (AOCMHP), key legislators, and County leadership about the workload model and its impact on I/DD services. I as the County Chair, as well as individual commissioners, worked with various legislators to advocate for increased funding and simplification of workload.

Our IDDS leadership made several efforts over the years to mitigate workload burden by hiring additional staff, utilizing salary savings to hire Limited Duration staff, as well as looking at processes to balance workload.

While the Division is in agreement with and willing to work on all the following recommendations, it is important to highlight that case management workload is a statewide issue that all CDDP

and Brokerages experience and are equally advocating for appropriate funding and simplification of workload and rules.

Multnomah County IDDSD leads the way in and prides itself on quality services. This past year has been significantly difficult as many new work duties were added to case management with a limited increase in funding in the workload model. These work duties continued to increase after the inception of the K-Plan (Community First Choice Program) in 2013. The program saw a continual increase in enrollment of around (14%). The elimination of Region One Crisis Services by ODDS impacted the program negatively. Region One was a cooperative to coordinate crisis services to I/DD individuals among five counties. Despite all of these cuts, IDDSD continued to provide the needed crisis coordination without additional funding.

Our IDDSD leadership and management value your input. As you can see in the plan below, they will continue their work with the State, Legislators and County leadership to secure appropriate funding, to streamline services, and to continue to monitor for health, welfare and safety.

It is worth mentioning that the division has a well established and long standing practice of receiving feedback from people we serve as per the division's strategic plan. In 2016, the division launched a large scale customer satisfaction survey which was distributed in seven languages. The program's customers rated the program at an overall 81% satisfaction.

Feedback shared by our program participants:

*"The services that my daughters get are great and I really love the Service Coordinator and the respite that they have."*

*"Thank you for all the services you provide for me and my support team. Without it, I would not be able to do many things that I do now."*

In addition, the program surveyed community partners in 2017. 85% of our Community partners were somewhat to extremely satisfied with the services they received.

Feedback shared:

*“Respond in a timely manner. Follow up with items and issues in a timely manner. Provide residential providers with ISP documents without being asked several times and in a timely manner. Inform residential providers when there is a change in staffing/caseloads.”*

Currently, the program is in the process of finalizing the customer satisfaction survey for 2018. We hope to learn from our program participants as to what is working and not working for them and will adjust our system accordingly.

The program has developed a five-year strategic plan and continues to update and work on such plan in a systematic way to continue to improve services. As we move into the future, four themes guide the Division work:

1. Providing high quality services.
2. Promoting diversity, equity, inclusion, and person-centeredness.
3. Enhancing training, tools, and an effective and supported workforce.
4. Developing more streamlined and effective administrative processes.

As of March 2018, the program updated its strategic plan to embed the voice of stakeholders in their work. As demand for services continues to rise (Intake referrals have increased from 985 in FY2015 to 1360 in FY2016 to 1456 in FY2017), the program has added 30 new case management positions. The program has also moved to an electronic filing system, are piloting electronic signatures and has streamlined other processes to maximize productivity. Currently, through advocacy, the program received around \$4 million additional funds for this biennium. The program is in the process of hiring new positions to decrease workload.

We see great value in bringing many of your recommendations to the State, advocacy organizations and legislators to help fund our CDDP programs at an appropriate level to allow us to continue to improve services to our program participants.

**We recommend that the Intellectual and Developmental Disabilities Services Division of the County Human Services Department implement the following recommendations no later than September 1, 2020:**

## **Recommendation 1**

We recommend that between now and the next legislative session, the Board of County Commissioners, county Government Relations, and the Department of County Human Services management continue to work together to keep demonstrating to the state the high risks to clients' health and safety and negative impacts on the stability of the Division's program and case managers of rapidly paced, transformative changes.

### **Response:**

IDD will continue to work toward these efforts:

- a. IDD and County leadership met with legislators on several occasions last legislative session to advocate for increased funding for Community Development Programs.
- b. Multnomah County IDD established a proposal paper for the tri-county CDDPs which was distributed to legislators in collaboration with Government Relations and the Multnomah County Chair. We have scheduled quarterly Tri County meetings in an attempt to further collaborate and advocate.
- c. The program will continue to advocate via our professional association, Association for Community Mental Health Programs (AOCMHP), and will coordinate via its legislative committee.
- d. The program will continue to work with Multnomah County Government Relations and County Chair to advance I/DDSD Issues. The Department also has a legislative coordinator who will assist in monitoring legislative agenda for I/DD programs.

## **Recommendation 2**

Case managers (CM) should complete documentation at the time they contact clients or very close to it. Using computers in the field and electronic signatures will help with this effort.

### **Response:**

#### **a. Documentation:**

- i. IDD team will continue to improve documentation at the time of client contacts. Meetings in October 2019 will be held to finalize timeline dates and identify the participants who will be doing the pilot. We will identify and offer strategies that people may choose to assist them in entering notes in real time. We will be piloting this strategy in November 2019.

#### **b. Electronic Signature:**

- i. IDD explored electronic signatures in 2018 by piloting this option with IT over a 6 month period. While this did save time and effort, it was discovered that the equipment would be cost prohibitive to the division.

- ii. With the assistance of IT, IDSD secured 8 free tablets that will give us electronic signature ability and touch screen for SCoPE consent. We will use these to start implementing a pilot in Mid October 2019.
- iii. We will continue to work with IT, the State and Department and County Leadership to explore funding options to supply tablets to the Division and secure on-going IT support budget.

### **Recommendation 3**

The Division should continue to work with the state to develop a process that would allow the Division to upload information to the state's computer system to free up support staff time.

#### **Response:**

- a. In the past IDD met with representatives from IT and other divisions in the department to discuss challenges with access to state systems. Our goal has been that in the future 100% of IDD billable services would be automatically uploaded into the State's eXPRS system without requiring duplicate entry.
- b. This option was pursued with the help of IT from Multnomah County. The state responded that as of Sept 2019 there are some priority IT requests ahead of ours. The state recognizes this is a priority for IDD and will continue to work on this with us.

### **Recommendation 4**

The Division should strengthen its monitoring over the documentation of client contacts to lower the risk of false case notes. For example a risk based spot-check validation process could be incorporated into the case note audits that the quality and compliance unit already performs.

#### **Response:**

- a. IDD has a Quality Assurance procedure to review progress notes each month. We will expand this process to include spot check calls to the consumers to learn of their experience with the case manager.
- b. We will work on implementing a process and communicate progress with the County Auditor as needed. We will start this process in January 2020.

### **Recommendation 5**

Case managers are still overwhelmed by state-mandated changes and some of the same problems we found at the beginning of the audit will take more time to resolve. The Division should continue its efforts to improve:

- a. Funding levels and payment rates with the state as well as capturing indirect billable contacts.
- b. Staff retention by hiring case managers with a good mix of people and administrative skills.

- c. Morale by building a better connection between upper level management and case managers through better communication and transparency.
- d. Training of both new and longer term case managers.
- e. Productivity by evaluating best practices among case managers and sharing that information out to all case managers through training opportunities.
- f. Case manager documentation and timeliness by examining case notes and providing feedback.
- g. Coordination between ONA assessors and case managers.
- h. Case transfer procedures.
- i. Case management practices by collaborating with other counties.

**Response:**

IDD will continue efforts in this area.

**a. Funding**

- i. IDD initiated a pilot project on indirect monitoring, to review provider payments to ensure quality and completion. This monitoring also is 'billable' meaning it will increase funding. IDD to make permanent 2 Quality Case Management Positions in the FY 2019/2020 budget.

**1. Indirect Encounters FY 20**

- a. Goal is to review 100 timesheets per week.

**b. Staff Retention/Hiring:**

- i. IDD will work with HR and the staff working on our Strategic Plan item to improve our hiring and retention.
- ii. IDD will add an administrative question to the CM interview process re: time management and administrative skills.
- iii. Leadership will continue to provide opportunities for staff to give feedback on the hiring process, new employee on boarding and training.

**c. Morale:**

- i. IDD leadership is participating in a 6 week Leading with Race intensive training with our Equity Manager to improve the experience of all staff who work for the Division.
- ii. Leadership will continue to host staff Morale events. IDD is kicking this off in November with an all Division Gratitude Gathering and trainings.
- iii. Leadership will implement listening sessions for staff.
- iv. Director will continue to meet with all staff individually.
- v. Director will continue to attend team meetings.
- vi. Director will continue to meet regularly with all Supervisors.

**d. Training**

- i. IDD will continue to provide Wednesday training to all staff. [See Wednesday Training Guidelines here.](#)
- ii. IDD will continue to provide Program Specialist training to all staff.

**e. Best Practices:**

- i. Leadership will continue to support staff using CM best practice strategies as identified in our Division's work with the Quality Improvement Center.
- ii. IDD will continue to use Tableau to identify areas to support CM's. Use Tableau to identify and address tasks due including monitoring and planning.
- iii. Director will continue to work with Division researcher and leadership to study national best practices for case management and workload management.

**f. Timeliness of notes:**

IDD developed a procedure to support Case Managers in meeting their note documentation goals in a timely manner. Supervisors meet with case managers who are performing at less than 80% to assist with implementing tools to increase productivity. Quality Improvement staff interviewed Case Managers who are exceeding goals to glean their work strategies and are offering these strategies to Case Managers who are not meeting goals.

**g. ONA:**

- i. IDD will implement monthly meetings between ONA assessors and case managers to improve collaboration.

**h. Case Transfer**

- i. IDD will continue to implement improved/ updated procedure as developed with the Quality Improvement Center and implemented by the Division's Quality Assurance Supervisor. This procedure is completed and will be adopted October 1st 2019. [See draft procedure here.](#)

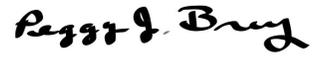
**j. Case Management Practices**

- i. IDD will establish Metro area meetings with other similarly sized counties to check in about best practices, workload management, and to unite advocacy efforts at the state level. These meetings will begin in October 2019.

Sincerely,



Deborah Kafoury  
Multnomah County Chair



Peggy Brey  
DCHS Department Director