

Scott Reiner, M.S. Executive Director

OFFICE OF CHILDREN'S SERVICES Administering the Children's Services Act

February 27, 2025

Kurt Emmerling, CPMT Chair Page County Department of Social Services 215 West Main Street Stanley, VA 22851

RE: Page County CSA Program Self-Assessment Validation (SAV)

Final Report, File No. 32-2024

Dear Mr. Emmerling,

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Year 2024, the Page Community Policy and Management Team (CPMT) has completed and submitted the results of the self-assessment audit of your local Children's Service Act (CSA) Program. Based on the review and examination of the self-assessment workbook and supporting documentation completed by the Page County CSA program on December 15, 2023, and covering the period November 1, 2022 – October 31, 2023, our independent validation:

Concurs	Partially Concurs	Does Not Concur
---------	-------------------	-----------------

The Page County CPMT concluded that no significant observations of non-compliance or internal control weaknesses were found in the design or operation of the processes or services conducted. The explanation for our assessment results are as follows:

The Page County CPMT concluded that non-compliance observations were not significant. Attachment A includes a summary of non-compliance observations reported by the CPMT as insignificant. However, validation procedures detected deficiencies indicating non-compliance by the local CSA program and internal control weaknesses that the CPMT did not identify. Non-compliance with the statutory requirements of CSA is considered significant because the local program is not operating fully following state law. An adequate system of internal controls is contingent upon the consistent and proper application of established policies and procedures and monitoring oversight by the governing authority to ensure that the program is operating accordingly. Such breakdowns in an organization's internal control structure are considered significant. Specifics of the Page County CSA Program are detailed on pages 2-4.

SIGNIFICANT NON-COMPLIANCE OBSERVATIONS AND INTERNAL CONTROL WEAKNESSES

Observation 1: The Page County CSA program was reimbursed \$275,845.81 (state share) for payment of services where the requirements for compliance with State Executive Council (SEC) and partnering agency policies and procedures were unmet. Five (5) client case files were examined to confirm that the required documentation was maintained to support and validate the service planning activities completed by the Family Assessment Team (FAPT) and funding decisions by the Community Policy and Management Team (CPMT). A notable exception occurred in all client records examined. Exceptions noted in Tables A and B below are deemed significant, as they are critical to evidencing the appropriateness of services and compliance with CSA funding requirements.

Table A Client File Review Exceptions – Fiscal Impact					
Excep	tion Rate	Exception Description (Code)			
(1/5	1. Services funded exceeded the assessed level of need. Medical necessity or were not met as indicated by Medicaid's Notice of Denial.**Note 1 (COV § 2 5200; Department of Medical Assistance Services [DMAS]) Hospital Manu Chapter IV, Covered Services and Laminations; and DMAS Supplement B EPSDT [Early and Periodic Screening, Diagnosis and Treatment Manual])			(COV <u>§ 2.2-</u> espital Manual, oplement B –	
(2/5	5) 40%	2. Alternative Funding – Medicaid Eligible Expenses. Required assessments and documentation were not completed or timely. (COV § 2.2-5211, Current Appropriation Act, and CSA Policy 4.4.2 Medicaid Funded Services) [Repeat Observation]			
(1/5	5) 20%	3. Ineligible Expense: FAPT referral and assessment did not occur within 14 days of emergency placements. (COV§ 2.2-5209)			
(1/5	5) 20%	4. The service is not listed on the service plan. (COV§ 2.2-5208)			
Code	Client(s)	Service Description	Period	Total Cost	State Share
1	С	Residential Room & Board (Net expenditures) ** Note 2	Nov 2022 – Oct 2023	\$363,135.25	\$232,941.26
		Residential Education ***Note 3	Nov 2022 – Oct 2023	\$49,025.00	\$34,979.34
2	B and D	Residential Services and TFC -Case Management	Jan 2023 – May 2023	\$8,621.63	\$5,559.70
3	A	Private Foster Care Support, Supervision, and Administration	Jan 2023 – Feb 2023	\$3,220.00	\$2,297.47
4	Е	Occupational Therapy	Mar 2023 and May 2023	\$95.37	\$68.05
Total \$424,097.25				\$275,845.81	
	Reimbursement Due to CSA \$275,8				\$275,845.81
*Note 1-0	*Note 1-Confirmed that CPMT did not consult the Safe and Sound Task Force for high acuity foster care youth for assistance with				

^{*}Note 1-Confirmed that CPMT did not consult the Safe and Sound Task Force for high acuity foster care youth for assistance with this placement.

^{**}Note 2- Adjusted for incorrect match rate applied to foster care maintenance – clothing expenditures.

^{***}Note 3- The cost incurred did not include special education services directed by an Individualized Education Program.

SIGNIFICANT NON-COMPLIANCE OBSERVATIONS AND INTERNAL CONTROL WEAKNESSES CONTINUED

Table B			
Client File Review Exceptions – No Fiscal Impact			
Exception Rate	Exception Description (Code)		
4/5 (80%)	5. Financial reporting errors: expenditure category, mandate type, and/or service		
	name. (CSA Policy 4.5.2) [Repeat Observation]		
2/5 (40%)	6. Lacked evidence of family engagement. (CSA Policy 3.3 and 3.5)		
2/5(40%)	7. No evidence of utilization review. (COV 2.2-5208 and CSA Policy 3.5)		

Similar audit observations regarding alternative funding and financial reporting errors were reported in the prior audit report dated July 2, 2019. A quality improvement plan (QIP) was submitted and reported as complete. The CPMT, as the governing body, is responsible for the ongoing monitoring of the QIP to ensure that the plan's implementation and actions are continually working as intended.

Observation 2: The Virginia Department of Social Services (VDSS) conducted a quality assurance and accountability (QAA) Title IV-E compliance review. A comparison of the QAA Reports issued by the VDSS and financial records documenting CSA and Title IV-E transactions identified ineligible expenses detailed below and summarized by the client in Table C:

- 1. Non-compliance with kinship guardianship assistance policies (e.g., safety checks).
- 2. Title IV-E-eligible expenditures funded from the State pool for Title IVE-eligible clients. OCS financial reports do not indicate any recorded adjusting entries to refund state pool funds. [Repeat Observation]
- 3. Data integrity errors were prevalent in transactions recorded in the Local Expenditure and Data Reimbursement System (LEDRS) for five (5) out of seven (7) clients identified in the QAA Reports. Most notably, support/supervision, foster care maintenance-clothing, and enhanced maintenance were reported as basic maintenance.

Table C: Compliance Exceptions COV §2.2-5206, COV §2.2-5211, CSA Policy 4.6 Denial of Funds, and VDSS Foster Care Manual Section 10.11					
Clients	Error Type	Error Description	Service Month	Total Cost	State Share
F	1	Kinship subsidy non-compliance.	Jul 23 – Oct 23	\$5,796.45	\$4,135.77
H and J	2	Duplicate Payment. CSA and IV-E paid foster care maintenance.	Jul 23- Dec 23	\$625.00	\$445.94
G and I	2	Unreimbursed foster care maintenance expenses.	Jun 23- Sept 23	\$917.87	\$654.90
Total Due to CSA				\$5,236.61	

A similar audit observation of unreimbursed foster care maintenance expenses was reported in the prior report dated July 2, 2019. A quality improvement plan (QIP) was submitted and reported as complete. The CPMT, as the governing body, is responsible for the ongoing monitoring of the QIP to ensure that the implementation of the plan and its actions are continually working as intended.

SIGNIFICANT NON-COMPLIANCE OBSERVATIONS AND INTERNAL CONTROL WEAKNESSES CONTINUED

Observation 3: Adequate measures have not been established and/or implemented by Page County CPMT to evaluate and ensure the accountability and effectiveness of the locally managed CSA program. Opportunities for improvement were noted based on instances of noncompliance with CSA statutory requirements of COV 2.2-5206 items 4 and 13 as follows:

- 1. The CPMT has not documented a formal plan to substantiate coordination of long-range planning that includes an assessment of current risks, strengths, and needs of the existing system, as well as establishing and documenting measurable criteria for evaluating the effectiveness of the local CSA program. Upon notification, the CPMT began working on a strategic plan in August 2024.
- 2. CPMT monthly meeting minutes and accompanying reports did not evidence continuous quality improvement/utilization management (CQI/UM) activities to include: [Repeat Observation]
 - A. review of local and statewide data provided in the management report on the number of children served, children placed out of state, demographics, duration of services, child and family outcomes, and performance measures.
 - B. tracking utilization and performance of residential placements using data and management reports to develop and implement strategies for returning children placed outside of the Commonwealth, preventing placements, and reducing lengths of stay in residential programs for children who can appropriately and effectively be served in their home, relatives' homes, family-like setting, or their community.

The ability and likelihood of the CPMT to adequately monitor and provide oversight of the local CSA program are essential components of organizational governance. The absence of formal planning, coordination, and program evaluation to ensure that the program's goals and objectives are met ultimately impacts the CPMT's efforts to better serve the needs of the community's youth and families and maximize the use of state and community resources.

OBSERVATION 4: The CPMT did not effectively implement internal controls established by CSA statutes to safeguard against conflicts of interest. Nonpublic members and designated alternates serving on the CPMT or FAPT did not complete the statement of economic interest (SOEI) form per the requirements outlined in COV §2.2-5205 and COV §2.2-5207. OCS Administrative Memo #18-02, dated January 16, 2018, guided local CSA programs regarding filing requirements. The guidance states that non-public members must complete the "long" form defined in COV §2.2-3117 upon appointment. The effectiveness of the controls to ensure accountability and appropriate use of CSA pool funds is reduced based on the increased opportunity for an individual not to disclose all personal and financial interests.

RECOMMENDATIONS

The CPMT should ensure that the proposed expenditure meets the criteria for CSA funding (i.e., meeting all federal and state requirements), specifically:

OBSERVATION 1:

- 1. The CPMT, FAPT, and the CSA office should ensure that services are appropriately matched with the level of need before funding authorization and payment processing, including:
 - A. Confirm that Independent Assessment and Care Coordination Team (IACCT) evaluations are initiated upon consideration of out-of-home placements to access Medicaid funding, where appropriate.
 - B. Consult with the Safe and Sound Task Force for assistance in securing an appropriate placement for high-acuity youth.
- 2. Adequate documentation should be maintained as justification for CPMT funding decisions, such as, but not limited to:
 - A. Consider other appropriate and available funding sources (i.e., Title IV-E and Medicaid).
 - B. FAPT referral and assessment of emergency placements within the 14-day requirement.
 - C. All funded services are listed on a service plan.
 - D. Invoices should be matched to the purchase of service agreement (POS) prior to payment to ensure the service billed agrees to the service named in the POS agreement.
- 3. The CPMT and FAPT should ensure adherence to local policy regarding service planning activities, including evidence of family engagement and the frequency and documentation of utilization review in each client's record.
- 4. The Fiscal Agent and the CSA Coordinator should work together to ensure expenses are reported correctly (in the correct expenditure category, mandate type, and service name) before the transactions are recorded into the Client-Based Data Reporting System (CBDRS).
- 5. The CPMT should submit a quality improvement plan for review by the OCS Finance Office, including whether the CPMT agrees with the observations regarding questioned costs. Upon review and recommendations presented by OCS Finance staff, the CPMT will be notified of the final determination made by the Executive Director based on SEC-approved policy 4.7 Response to Audit Findings of whether the identified actions are acceptable or any additional actions that may be required.

OBSERVATION 2:

- 1. The CSA Office should confirm compliance requirements and documentation for funding kinship placements are met before processing CSA-funded assistance payments.
- 2. Periodic case file reviews should be performed at least annually to establish quality control of client records and ensure compliance with CSA statutory requirements. As a part of the CPMT's quality assurance review and monitoring efforts, the CPMT should track CSA-funded cases pending title IV-E eligibility determination and confirm reimbursement of CSA pool funds for foster care maintenance costs where appropriate.

RECOMMENDATIONS - CONTINUED

OBSERVATION 2:

4. The CPMT should submit a quality improvement plan for review by the OCS Finance Office, including whether the CPMT agrees with the observations regarding questioned costs. Upon review and recommendations presented by OCS Finance staff, the CPMT will be notified of the final determination made by the Executive Director based on SEC-approved policy 4.7 Response to Audit Findings of whether the identified actions are acceptable or any additional actions that may be required.

OBSERVATION 3:

- 1. Page County CPMT should continue to coordinate long-range planning within their community
- 2. The strategic plan should consider the development of resources and services needed by children and families in their community. The process should include developing a formal risk assessment process and measurable criteria for evaluating program effectiveness. The strategic plan should incorporate S.M.A.R.T. (Specific, Measurable, Attainable, Relevant, Timely) goals and objectives to facilitate effective and meaningful overall evaluations of the Page County CSA program.
- 3. The long-range plan should include adopting the community philosophy regarding services to eligible youth and their families and identifying the current service delivery system to comply with local policy.
- 4. The CPMT may use strategic planning tools on the OCS website to complete this initiative.
 - Strategic Planning Tools (CQI) Documentation Template with Instructions (Download)
 - Strategic Planning Tools (CQI) Terms and Definitions
 - Strategic Planning Tools (CQI) Training
- 5. The CPMT should immediately initiate periodic reviews of OCS financial and performance reports depicting local and statewide data as CSA statute requires to demonstrate compliance. Tools to aid the continuous quality improvement process (i.e., utilization management) are available on the CSA website and listed below for your convenience:
 - Data and Outcomes Dashboard (CQI)
 - Utilization Reports (https://csa.virginia.gov/OCSReports/Reports/UtilizationReport.aspx)

OBSERVATION 4:

The CPMT should ensure that all parties not representing a public agency complete the SOEI forms (Long Form) upon appointment and maintain filing following Administrative Memo 18-02, dated January 16, 2018.

CLIENT RESPONSE

See Attachment B for Management Formal Responses

OCS respectfully requests that you submit a quality improvement plan (QIP) to address the observations in this report by thirty (30) days from the date of receipt of this report. In addition, we ask that you notify this office when the specified QIP tasks are completed. OCS will conduct a follow-up validation to ensure that quality improvements have been implemented as reported.

We thank the Page County Community Policy and Management Team, CSA staff, and partners for contributing to the CSA Self-Assessment Workbook. We also acknowledge Lauren Neal, CSA Coordinator, who provided excellent assistance and cooperation during our review. Mrs. Neal's efforts enabled the audit staff to resolve any questions/concerns observed during the validation process. Please feel free to contact us should you have any questions.

Sincerely,

Annette E. Larkin, MBA

Program Auditor

Stephanie S. Bacote, CIGA

Stephanie S. Bacote

Program Audit Manager

cc Scott Reiner, Executive Director Amity Moler, Page County Administrator Tyler Olsen, CPMT Fiscal Agent Lauren Neal, CSA Coordinator

Attachments



CSA Self-Assessment Validation Page County CSA Program Audit- SAV

Summary of Self-Reported Non-Compliance Observations and Internal Control Weaknesses

Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan Submitted	Quality Improvement Plan Action Date/Status
Governance: Submit to the Department of Behavioral Health & Developmental Services information on children under the age of 14 and adolescents aged 14 through 17 for whom an admission to an acute care psychiatric or residential treatment facility licensed pursuant to Article 2 (§ 37.2-403 et seq.) of Chapter 4 of Title 37.2, exclusive of group homes, was sought but unable to be obtained by reporting entities	COV §2.2-5206		None	COV requirement repealed
<u>Governance</u> : Establish formal performance measures.	COV §2.2-5206	\boxtimes	None	
Governance: Maintaining signed hard copy of supplement request.	SEC Policy 4.5.5		None	

Auditor Comment: Page County CPMT self-reported the non-compliance observations in the table above as nonsignificant. However, compliance criteria are established by the Code of Virginia, and policies are adopted by the State Executive Council (SEC). Non-compliance with the statutory requirements of CSA is considered significant because the local program is not operating fully in accordance with state law.



COUNTY OF PAGE

103 South Court Street, Suite F, Luray, VA 22835 Ph. 540-743-4142 · Web pagecounty.virginia.gov

The CPMT Board of Page County is appreciative of the opportunity to respond to the results of the most recent CSA audit.

Our response to the audit is divided into two areas:

- 1. Acknowledged areas of concern
 - These are areas identified during the audit that the Page County CPMT Board recognizes as requiring attention and correction.
- 2. Areas that are not agreed upon or will be appealed.

Acknowledged Areas of Concern

The Board acknowledges that there are significant systemic issues within the CSA process of Page County. These include:

- An absence of consistent quality improvement processes; including, the creation, knowledge, or access to existing or prior QIP plans. (The prior QI/Audit plan of 2019 was unknown/unseen by the majority of current CMPT Board members.)
- 2. That non-public members did not complete a statement of economic interests.
- Written policy documents and procedures are outdated, or minimal, absent, or lack consistent application. These documents were not readily available to the CPMT members that are currently active on the Board.
- 4. Periodic case reviews did not occur or occurred infrequently.
- A strategic plan was absent from CSA operations and that SMART goals were not developed or pursued.
- 6. That periodic performance evaluations of the CSA process (Coordinator, FAPT) are absent.
- That untracked, unsubmitted, or missing invoices or communication issues resulted in the failure to stop duplicate CSA/IV-E payments.

These areas require corrective action(s) and the CPMT Board agrees that these are important aspects of the operations of CSA within our community.

Areas Identified that are not Agreed Upon or will be Appealed

The following areas identified during the audit are respectfully not accepted as currently identified.

- The recovery of \$232,941.26 in the case of a residential placement of client "C".
 - a. Fusion Broadcasts, including those present at the time of the client's admission to Cumberland Hospital, contradict the issues identified in the audit process: Specifically, the method and activation of the Safe and Sound Task Force.
 - Direct contact of the Safe and Sound Taskforce by social workers is not indicated. Rather a contact with the Regional Permanency Consultant who then decides if the Safe and Sound taskforce is needed is the accepted practice according to the Broadcast.
 - The Social Worker followed this exact process, and as per the Fusion Broadcast, once a placement was identified, the Safe and Sound Taskforce was not required.
 - During the contact with the State Permanency Consultant, no mention of the Safe and Sound Task Force occurred. Although unfortunate, this is not the fault of the social worker or the CSA system.
 - That an IACCT was required at transfer. As the child went from a medical/hospital environment to another hospital/medical environment, no IAAAC is required in this type of transfer.
 - Cumberland Hospital operates officially with the business title of a hospital facility. For a social worker looking for an urgent placement, facility titles are not questioned. The term hospital refers to a medically oriented facility by any reasonable interpretation. It is reasonable to assume the facility has provision to operate as such.
 - iii. That personal knowledge of the client, her history and vulnerabilities does not exist at the auditor's level and that the decision to pursue both a diabetes stabilization program along with (most importantly) a facility with significant psychological supports for a frequently suicidal client was needed. This was within the best interest of the child and only those individuals directly familiar with the child possessed the knowledge to make this decision.
 - This action included the eventual internal facility transfer from a hospital setting to the facility's residential MH program.
 - The program at Cumberland not only supported the mitigation of the client's
 poorly regulated diabetes but also prevented the exacerbation of
 psychological conditions. This included significantly *harmful behaviors such
 as suicidal ideation with and without a plan, aggression, sexual acting out
 and similar.

*Harmful and potentially fatal behaviors are often seen in adults with PTSD, Depression and Trauma. However, these same issues present significantly higher risks in adolescent populations. This is especially true when the behaviors are seen within multiple and concurrent, serious and persistent mental health diagnoses.

b. Although Medicaid denied services on two appeals, these appeals, were incorrectly based on the assumed primary reason for facility admission, diabetes management. The pediatrician's review of Cumberland's appeal also neglected to explore the case in greater detail regarding concurrent psychological diagnoses and behavior patterns, some involving multiple suicide watches with frequent self-harm evaluations. The facility, Cumberland Hospital, also incorrectly documented that Medicaid appeals would not likely result in a different outcome. The social worker, inexperienced with these matters, and appealing to authority, referred the case to CSA, exclusively.

- This case was reviewed multiple times by the CSA Coordinator and FAPT, all agreeing that the best placement for the client was at Cumberland, with a prior failure of a TFH with a nurse parent/guardian as a main detractor in recommending a lower level of care.
- iii. Significantly, the client benefited greatly from her time in Cumberland and has successfully regained her footing after completion of the program goals. This, admittedly a long process, was needed to stabilize and teach better self-care, monitoring and coping skills, the extensive time clinically understandable for a child with multiple stressors, trauma, and an inability to consistently remain safe.

Overall Commentary

The audit was successful in that it identified areas requiring improvement. However, in most cases the errors were not the result of intentional action but from correctable, trainable errors. In many cases by newer-to-the-role individuals who had limited training or experience in the complex nuances of case resources or protocols.

Sincerely,

Kurt Emmerling

Kurt R Emmerling

Acting CPMT Chair

Lauren Neal

Lauren Neal

CSA Coordinator