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03757 - [B2914159] ~~Restricted~~

Released 10/31/77

[Delays in Reimbursement for Home Health Services in New York City]. ERD-78-8; B-164031(3). October 17, 1977. 6 pp.

Report to Rep. Benjamin S. Rosenthal; by Gregory J. Ahart, Director, Human Resources Div.

Contact: Human Resources Div.

Budget Function: Health: Health Care Services (551).

Organization Concerned: New York, NY; Department of Health, Education, and Welfare; Health Care Financing Administration.

Congressional Relevance: Rep. Benjamin S. Rosenthal.

Authority: Social Security Act, as amended, title XIX (42 U.S.C. 1396).

An audit was conducted of New York City's home health care program by examining the reimbursement system used by the Borough of Queens, with particular emphasis on identifying reasons for delays in paying for home attendant services. Findings/Conclusions: Twelve home attendant cases having problems making payments to home attendants on the regular 2-week basis were identified. Delays generally ranged between 1 and 3 months, although one 10-month delay was attributed to a lost check. Some of delays were caused by the city and some by the clients' failure to report changes in their status or the status of the home attendants. The most frequent cause of delay by the city involved slow reauthorization of beneficiary eligibility. New York City officials said they were aware of the delays and had proposed some procedural changes to correct the problems. New program procedures are to be implemented throughout the city and administrative changes such as centralizing the payment function and printing computer runs in a more useful format will be implemented. (SW)

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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548



HUMAN RESOURCES
DIVISION

B-164031(3)

OCT 17 1977

The Honorable Benjamin S. Rosenthal
House of Representatives

Dear Mr. Rosenthal:

This is in response to your October 19, 1976, letter requesting us to audit New York City's home care program. As agreed with your office, we limited the scope of our work to a review of the reimbursement system used by New York City in the Borough of Queens for home care services, with particular emphasis on identifying reasons for delays in paying for home attendant services. This letter confirms information presented to your office in our March 28, 1977, briefing and describes the home health care program as explained by key city officials in September 1977.

We reviewed 12 home attendant cases identified by your office as having reimbursement problems and found delays in payment ranging from 1 to 10 months. Some delays were caused by the city and some by the home attendant or the client. New York City officials said they were aware of these delays and had initiated or planned procedural changes to correct some of the problems we identified.

HOME ATTENDANT PROGRAM

New York City's home attendant program provides household chore, personal care, and other services to aged and disabled persons, often with little mobility. These services can be authorized for up to 24 hours a day, 7 days a week, for a maximum of 6 months. Through a reauthorization procedure, services can be provided as long as necessary. Services provided under the program are eligible for reimbursement under Medicaid when there is a medical basis for the needed services and the services are supervised by a registered nurse.

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Program administration

The Medicaid program is authorized by title XIX of the Social Security Act, as amended (42 U.S.C. 1396). It is a grant-in-aid program through which the Federal Government pays from 50 to 78 percent of the costs incurred by States for providing medical services to individuals unable to pay for them. The program is administered at the Federal level by the Health Care Financing Administration within the Department of Health, Education, and Welfare.

Each State has primary responsibility for administering its Medicaid program and must specify a single State agency to administer or supervise the administration of the program. In New York, the State Department of Social Services supervises program administration by local political subdivisions but retains overall program responsibility.

The home attendant program in New York City is administered by its Department of Social Services. Two separate offices within the department have primary responsibility for the program--the Office of Case Intake and Management and the Office of Family and Adult Services.

The Office of Case Intake and Management, with various intake centers scattered throughout the city, is responsible for

- receiving and processing initial applications for home care services and for continued case management, including reauthorization; 1/
- obtaining documentation of a medical need before home attendant services can be authorized, and reevaluating the need before reauthorizing services; and

1/Except for the Borough of Manhattan, where the Office of Family and Adult Services handles case management.

--forwarding the name(s) of possible attendants recommended by the clients and all other documentation relating to the case to the Office of Family and Adult Services for processing.

The Office of Family and Adult Services is responsible for reviewing the documentation from the Office of Case Intake and Management for completeness and accuracy; screening the suggested home attendants or, if no individual attendant has been recommended, referring a suggested home attendant to the client for approval; and authorizing payment for services. Home attendants are paid with two-party checks made payable to the attendant and the client. At the time of our fieldwork, these checks were issued by a number of different paying units.

According to key city officials, in the fall of 1976 the city initiated a pilot project in Queens whereby all applications for home care services were screened by a medical-social worker. This central unit, within the Office of Family and Adult Services, reviews each case to assure that the services are necessary and appropriate. If extensive services are prescribed--over 30 hours a week--the case is referred to another unit for further review to determine whether savings are possible. This unit reviews each case for appropriateness of services, availability of other health insurance, feasibility of substituting less expensive services for those recommended, and other means to save money. In Queens, home attendants are paid through a central office. We were told the pilot project was initiated to tighten controls and improve the efficiency of the Queens operation.

Program procedures

The specific procedures for approving individuals to receive home care services and for approving the attendants vary from one borough of the city to another. The following procedures apply to the Borough of Queens, although some are used in other boroughs.

Persons requesting home attendant services must apply with a local Office of Case Intake and Management center. To qualify, the person must (1) be eligible for public assistance or Medicaid and (2) have a documented medical need, certified by a physician. Eligibility must be periodically reauthorized.

Sixty days before its service expiration date, a client's case is included in a computer listing of potential reauthorizations, which is to be forwarded to the nine Queens' intake centers by the Office of Family and Adult Services payment unit for followup on the continued need for assistance. Payment for the home attendant ceases if the case is not reauthorized by the expiration date.

It is the responsibility of the clients to report to the intake center all changes in their financial circumstances and addresses. They are also to report if home attendants do not work the full number of scheduled hours. The intake center, in turn, forwards the data to the payment unit.

DELAYS IN PAYMENT

We reviewed 12 home attendant cases identified by your office as having problems with delayed reimbursement; that is, payments were not made to home attendants on the regular 2-week basis. Delays generally ranged between 1 and 3 months, although we identified one 10-month delay attributed to a lost check. All the cases had incurred multiple delays and all had at least two different causes for their delays. Some delays were caused by the city and some by the clients' failure to report changes in their status or the status of the home attendants. New York City officials said they were aware of the delays and had proposed some procedural changes to correct the problems.

Causes of delays

City-caused delays for all 12 cases were attributable to seven basic reasons. The reasons are shown below with the number of cases affected by each in parenthesis.

- Late reauthorization of client eligibility (9).
- Delay in placing home attendant or client on payment rolls (8).
- Extra time for payment processing caused by the Queens pilot project (4).
- Time-consuming processing to approve client's initial eligibility (3).

--Errors in data used for computer processing (3).

--Lost checks (3).

--Delayed decisions on client requests for special home attendant services (2).

The most frequent cause of delay by the city involved slow reauthorization of beneficiary eligibility. In 9 of the 12 cases, clients and their attendants were temporarily dropped from the program because followup on reauthorization by the various Queens intake centers was not timely. Although a computer listing of cases due to expire in 60 days was prepared to alert the social workers, we were told that it was not used because the Queens cases were not broken down by the nine intake centers. We were also told that social workers did not maintain "tickler" files of cases by expiration date to alert them to follow up.

In addition to delays caused by the city, some delays were caused by the clients' failure to promptly report changes in their status or the status of the home attendant. This was a reason for delay in nine cases. Usually the change of status involved home attendants that quit, although sometimes it involved an unreported change of address.

Action by the city
to correct problems

City officials said they were aware of problems with the home attendant program. Some told us that the problems were caused by the fragmented program administration and staffing shortages.

At the same time we were reviewing the program, a city management task force was also looking at the program. The task force was established to identify program problems and recommend corrective actions. As we informed you in our March briefing, the task force identified a number of administrative problems which contributed to late payment of home attendants. The task force briefed the Commissioner of the New York City Department of Social Services in March 1977 and suggested that (1) program administration be centralized or (2) the existing organizational structure be streamlined and some administrative changes made, such as:

- Establishing a "tickler" system geared to utilize a computer listing which will be generated 75 days prior to the service expiration date to assure that reauthorization procedures are initiated on time.
- Issuing pre-printed application forms and address labels to be sent to clients due for reauthorization to get the client involved in the reauthorization process earlier.

City officials told us the second suggestion was accepted. The department agreed to new program procedures early in September 1977 and began implementing a new system, similar to the Queens pilot project, throughout the city. One official said the system should be in full operation by December 1977. In addition, they said other administrative changes were planned or had been made, such as centralizing the payment function for home attendant services and printing computer runs in a more useful format.

At your request, we did not take the additional time to obtain written comments. The matters covered in the report, however, were discussed with an official in the HEW regional office who said that, upon receipt of our report, HEW will request the Commissioner of the New York State Department of Social Services to review the city's reimbursement practices.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 14 days from the date of the report. At that time, we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,


Gregory J. Ahart
Director