



agency for persons with disabilities
State of Florida

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September 29, 2008

Honorable Gwen Margolis
Joint Legislative Audit Committee
Room 214, Senate Office Building
404 South Monroe Street
Tallahassee, FL 32399-1100

Re: Follow Up Audit No. FA-08/09-001

Dear Senator Margolis:

Enclosed please find a copy of the Office of Inspector General Follow Up Audit entitled A Six-Month Status Report on Office Of Program Policy Analysis and Government Accountability Report No. 08-15, "APD Should Take Steps to Ensure New Needs Assessment and Individual Budget Process is Timely and Effective", dated September, 2008.

Please contact me with any questions you may have.

Sincerely,

Charles Faircloth
Inspector General

CF:dj

Enclosure



A SIX-MONTH STATUS REPORT ON OFFICE OF PROGRAM POLICY ANALYSIS & GOVERNMENT ACCOUNTABILITY REPORT NO. 08-15, "APD SHOULD TAKE STEPS TO ENSURE NEW NEEDS ASSESSMENT AND INDIVIDUAL BUDGET PROCESS IS TIMELY AND EFFECTIVE"

FA-08/09-001

September 2008

This report provides the status on recommendations originally presented in the Office of Program Policy Analysis & Government Accountability Report No. 08-15, dated March 2008 as required by Section 20.055(5)(g), Florida Statutes. The original report was titled "APD Should Take Steps to Ensure New Needs Assessment and Individual Budget Process Is Timely and Effective."

Background:

The Agency administers the Developmental Disabilities Home and Community-Based Services waiver, a 1915(c) Medicaid waiver, which allows Florida to serve persons with developmental disabilities in community settings, such as a client's home or a group home, instead of serving them in institutions. Waiver costs have substantially increased over time. This expenditure growth is due to increases in both the number of clients enrolled in the waivers and the amount of services provided to individuals. To address the program's increasing expenditures and to better ensure that Florida is meeting the needs of persons with developmental disabilities, the 2007 Legislature directed the Agency to redesign the waiver program. To better manage and control the waiver costs, the Agency began implementing a new needs assessment in January 2008 and anticipates completing needs assessments on all current waiver clients by July 2009. In addition to implementing the new needs assessment process, the Agency also plans to establish individual budgets for persons receiving waiver services.

Objective:

To determine if appropriate corrective action was taken to address the recommendations made.

Report Recommendation 1:

Develop an action plan for establishing individual client budgets. The plan should outline major activities, milestones, and needed resources, and establish a target date to begin developing individual budgets within six months after all waiver clients are assessed using the new needs assessment instrument. The plan should also lay out key steps and deadlines for creating a database that contains individual client information collected by the needs assessment instrument, and developing a funding algorithm that uses results from client needs assessments together with actual expenditure and utilization data. APD should provide this plan to the Legislature as well as quarterly progress reports. The Legislature may wish to have OPPAGA monitor

APD's progress in implementing the needs assessment process, assessing the reliability and validity of the Questionnaire for Situational Information as soon as possible, and developing a model for establishing individual client budgets.

The Legislature may also wish to direct APD to use a nationally recognized and validated instrument, such as the Supports Intensity Scale, as its major assessment tool for identifying client needs. This would require APD to train staff in administering the tool which could then affect its ability to meet the July 2009 date for completing assessments of all waiver clients.

Current Status:

The Agency for Persons with Disabilities (Agency) has developed key steps needed for the development and implementation of the individual budgets system. As part of that process the Agency has contracted with the University of South Florida (USF) for consultation services for a predictive cost model. USF will be subcontracting with the Human Systems Research Institute (HSRI) for this report. HSRI will provide experts to recommend to the Agency processes for developing a prediction model for individuals. The Provider's experts shall produce a summary report of these recommendations by January 31, 2009.

The USF contract also provides for statistical analyses of the Questionnaire for Situational Information (QSI) – Functional, Behavioral and Physical areas to determine the face, construct, and content validity of the three QSI scales and the instruments overall score. In addition USF will conduct reliability studies and statistical analyses that assess the stability of the QSI across interviewers (inter-interviewer reliability) and across time (test-retest reliability). They will also conduct concurrent validity studies and statistical analysis to compute the concurrent validity of the QSI with Supports Intensity Scale (SIS) using the three major scales and the overall level of need of both instruments.

Report Recommendation 2:

Eliminate current contracts for prior service authorization for an annual savings of \$4.7 million. Since 2001, APD has contracted with vendors to ensure that client service plans and additional service requests are necessary for meeting client needs. These contracts should be unnecessary once the new client needs assessment and budget process is established.

Current Status:

Previously, the Agency utilized two vendors to conduct Prior Service Authorization Reviews for a contracted cost of approximately \$14 million for three years. The Agency has since procured a single vendor to perform this function and also reduced costs by decreasing the frequency in prior service authorization reviews. The new contract is approximately \$4.5 million for two years.

Conclusion:

The Agency has made progress in addressing the recommendations made by OPPAGA; however, the process to develop individual budgets will take longer than six months; therefore this report will remain open.