

# **LBA Performance Audit Report Summary:**

Division of Elderly and Adult Services Home and Community-Based Care Audit  
Report – April 2003

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The audit of the Division of Elderly and Adult Services (DEAS) was completed to determine if effective and efficient changes were made to long-term care in the State, promoting a rebalancing from nursing facility services to home and community-based services as proposed in *Shaping Tomorrow's Choices* (1998) and required by Chapter 388, Laws of 1998. The audit period covered was State fiscal year 1998 to 2002.

Historically, New Hampshire's long-term care has favored nursing facility services, however with the growing elderly population the State recognized the need to rebalance the system. Lawmakers introduced significant legislation in 1997 (Chapter 309, Laws of 1997) requiring the Department of Health and Human Services (DHHS) develop a long-term care plan. The Legislature used this plan, *Shaping Tomorrow's Choices*, as a guide in drafting the legislation adopted in Chapter 388, Laws of 1998, also referred to as Senate Bill 409. *Shaping Tomorrow's Choices* and Chapter 388, Laws of 1998, encourage increased use of mid-level services (e.g. assisted living, congregate housing, or residential care program) and home-based services (e.g. home health aide, homemaker, or nursing services).

The DEAS coordinates the State's long-term care plan and changes required by Chapter 388, Laws of 1998. Located within the DHHS, the DEAS consisted of 143 staff organized in four sections during the audit period: Office of the Director, Bureau of Policy and Community Planning, Bureau of Finance and Business Operations, and Bureau of Community Services. The DEAS has a central office located in Concord and twelve district offices throughout the State.

## **Observations**

The report contains a total of 18 observations with recommendations as a result of our findings. Observation No. 1 addresses DEAS' efforts to inform elderly consumers of appropriate long-term care choices promoting the use of home and community-based services. Observations No. 2 through 11 address quality control improvements the DEAS can make for home and community-based services. Observations No. 12 through 17 concerns the DEAS' current practices to protect consumers from abuse, neglect, and exploitation and the complaint process. Observation No. 18 addresses the need for the DEAS to develop a better system of management controls for its programs.

### **Improvements To Inform Consumers Of Long-Term Care Choices Needed**

The Assessment and Counseling Program pilot has not been implemented in a uniform manner throughout the State as required by Chapter 388, Laws of 1998. This impacts the DEAS' ability to assist consumers with appropriate long-term care decisions.

### **Quality Controls Need Strengthening**

We found the DEAS could improve its systems for measuring, monitoring, and reporting program performance. Several different guidelines exist to determine allowable costs for home and community-based services. Our review of plans of care showed they do not reflect all services required to maintain a consumer in the community. Additionally, consumers may not receive all their authorized services and some consumers may receive unauthorized services. Controls are lacking over services providers deliver and monitoring of provider licensing is poor. Finally, outsourcing Home and Community-Based Care for the Elderly and Chronically Ill (HCBC-ECI) cases needs to have clear criteria and guidelines.

### **Improvements Needed To Better Protect Consumers**

We found the DEAS could do a better job informing consumers and the public of how to make an adult protective services report or complaint. The DEAS could improve its monitoring of the investigation process. We also found the current use of the State registry is limited.

### **Overall Management Controls And Oversight Could Be Improved**

DEAS management does not have a quality assurance system to monitor, collect, and report on information related to all its programs or consumers using its programs in a timely manner. Not having timely or adequate information related to programs hinders management's ability to make informed programmatic decisions in an effective and efficient manner.

## **Conclusion**

Generally, the DEAS has been successful in implementing the various components of Chapter 388, Laws of 1998, yet more work is needed to achieve the full results intended in the law.. As previously mentioned, the DEAS needs to continue to improve the process for informing consumers of their long-term care choices and improve controls to better protect the health and welfare of consumers using home and community-based services.

The increase in HCBC-ECI consumers and decrease in Medicaid nursing facility bed use suggests the DEAS has successfully promoted less costly service alternatives. However, as a result of level funding nursing facilities, the DEAS has been unable to fully reimburse nursing facilities under the acuity-based methodology resulting in cost containment.

Low provider rates have made it challenging to encourage more providers to join the long-term care workforce, particularly with mid-level care. Additionally, for existing providers it is often difficult to meet staffing needs, resulting in consumers not receiving all needed services and possibly impacting the quality of services received.

Therefore, while the State's long-term care expenditures have been contained, this is most likely due more to level funding nursing facilities and services not being provided to consumers, rather than changes made by Chapter 388, Laws of 1998.

The DEAS and the Legislature should review Chapter 388, Laws of 1998, make appropriate adjustments, and devise an adequately funded long-term care plan to meet stated objectives. The DEAS should develop the infrastructure required for a quality assurance process allowing management to monitor and review the effectiveness of programs and make necessary changes to meet the demands of its consumers in a timely manner.