

# **Public Assistance Benefits Accountability Task Force**

**AUDITS OF MEDICAID ELIGIBILITY PROCESS**

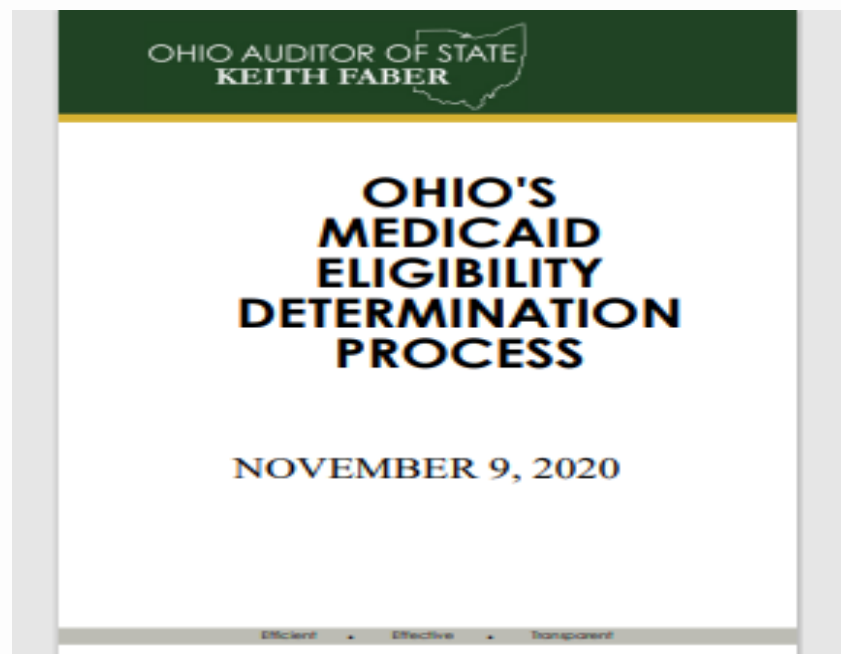
**June 28, 2022**

# Medicaid Contract Audit Section

- Focus on Integrity of the Medicaid Program
- Conduct Financial Related Procedures
- Perform Compliance Examinations
- Complete Public Interest Audits
  - Managed Care Pharmacy Benefit Managers
  - Medicaid Eligibility Determination Process
  - Capitation Payments – Duplicates, Incarcerated or Deceased
  - Public Assistance Reporting Information System (PARIS)

# Medicaid Eligibility Determination Process

Audit Period July 1, 2018 – June 30, 2019



<https://ohioauditor.gov/auditsearch/Search.aspx>

# METHODOLOGY

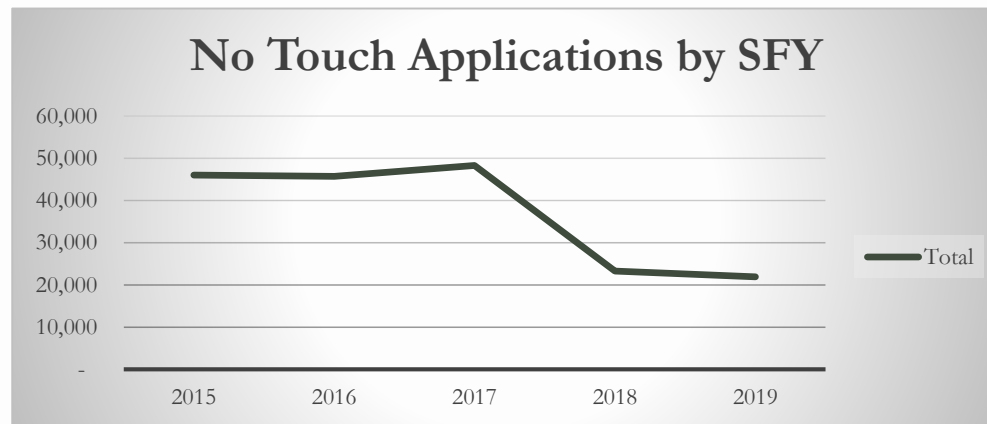
- Selected 27 counties
- County Job and Family Services, Department of Medicaid/Department of Administrative Services
- Long Term Care Facilities and Managed Care Organizations
- Sample – Per County
  - Aged, Blind and Disabled (ABD), Group VIII Expansion, Covered Families and Children (CFC) and Other
  - Reviewed Information To Re-determine Eligibility

# KEY FINDINGS

The Ohio Benefits system had significant shortcomings

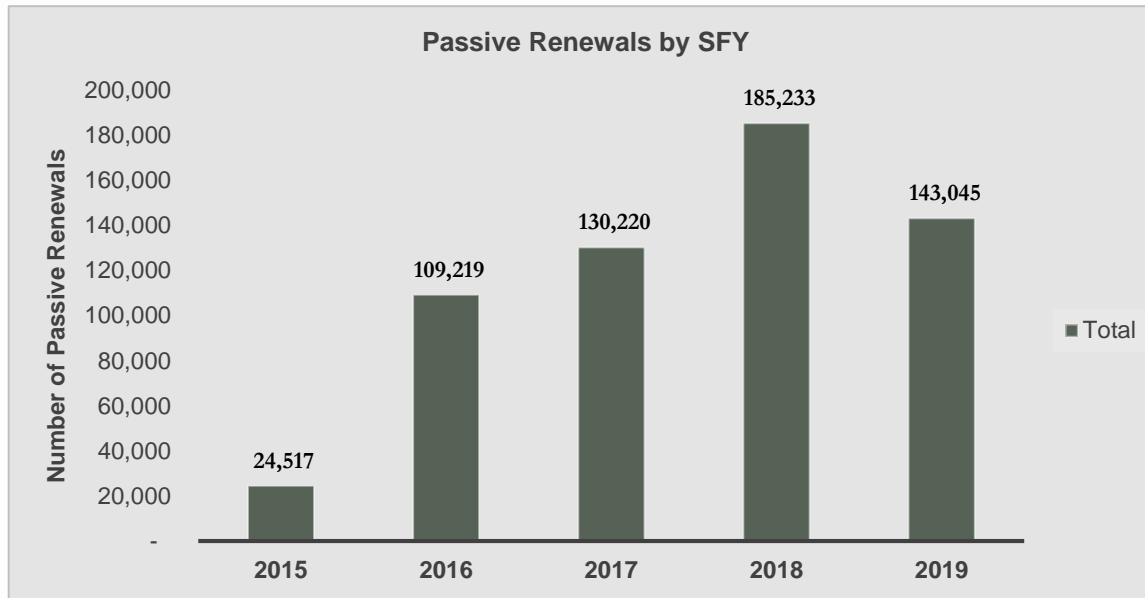
- Creates barriers to customer's obtaining benefits
- Impacts the county's ability to serve its customers
- Limits State's ability to monitor this major program

Increase in Applications – Decrease in No Touch Application



# Passive Renewals

Total renewals increased and passive renewals decreased



# Backlog

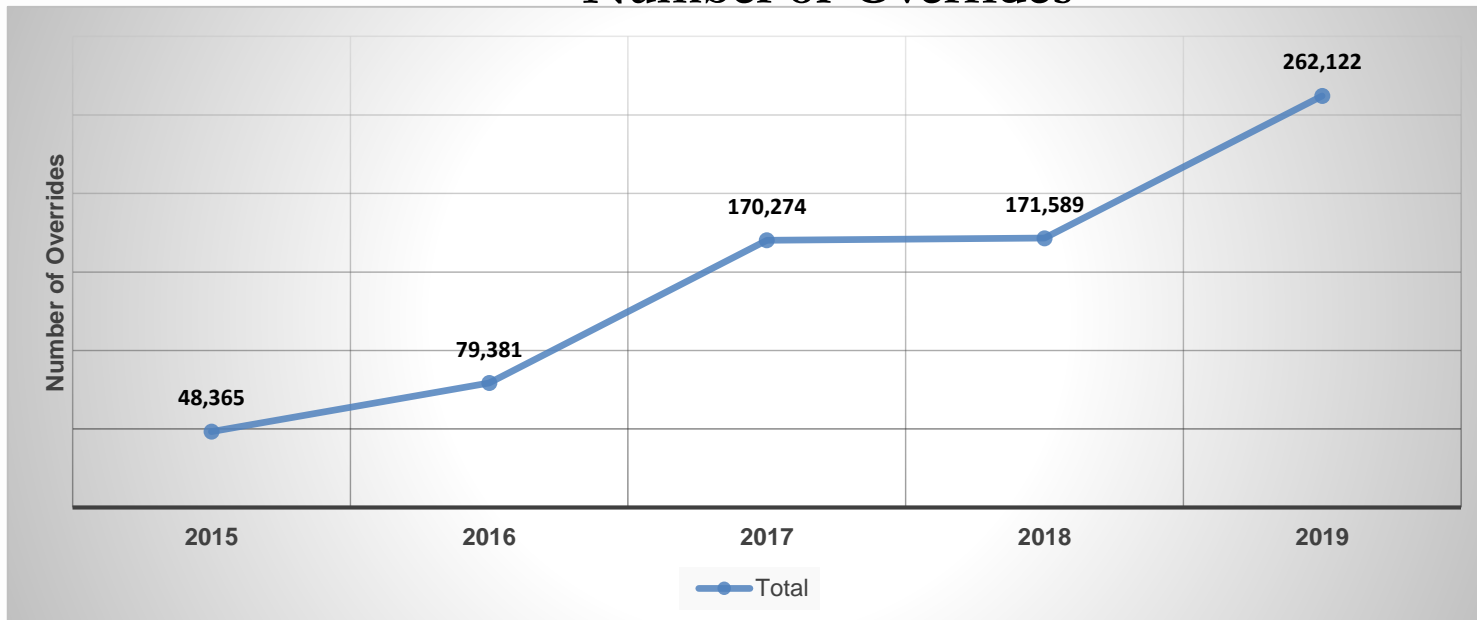
## Comparison of Application Processing Time

<b>2018</b>	<b>Determinations Under 24 Hours</b>	<b>Determinations Over 45 Days</b>
Ohio	13.0% to 13.6%	25.5% to 28.6%
National Average	30.8% to 32%	17.9% to 18.2%
<b>2019</b>	<b>Determinations Under 24 Hours</b>	<b>Determinations Over 45 Days</b>
Ohio	17.9% to 18.6%	14.9% to 20.2%
National Average	31.8% to 47.1%	11.2% to 17.9%

# System Overrides

- The override is required to “force” the correct result
- After an override, system generated updates do not process correctly resulting in manual updates

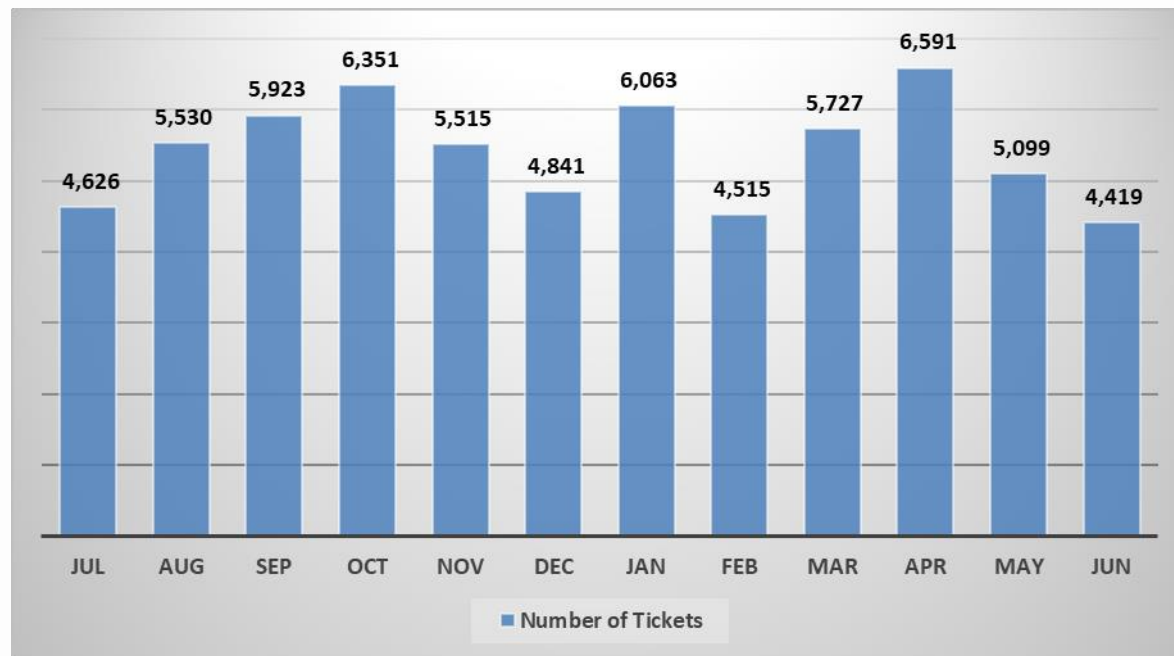
Number of Overrides





# Helpdesk Tickets

Statewide Tickets by Month (July 1, 2018 – June 30, 2019)



# Alerts

Alert – Notification of Change: May Impact Eligibility

❖ In SFY 2019 - 11.8 Million Alerts

Including Alerts for Other Programs (SNAP and TANF)

❖ SFY 2019 - 17 million

Time Consuming

Low Priority

Out of Control

A Never-Ending Cycle

# System Updates & Releases

<b>Time Period</b>	<b>System Changes</b>	<b>System Changes that Impacted Caseworkers</b>
SFY2018	385	316
SFY2019	654	533
Percent Change	70%	69%

# Accuracy of Eligibility

## Results of Re-Determination of Eligibility

Strata	Sample Size	Non-Compliant Customers	Ineligible Customers	Ineligible Rate	Overall Error Rate	Improper Payments	Potential Program Loss
ABD	108	8	2	1.9%	9.2%	\$3,556	\$ 12,503,736
CFC	108	3	7	6.5%	9.2%	\$8,987	\$ 157,746,595
Group VIII Expansion	81	13	5	6.2%	22.2%	\$24,685	\$ 236,293,587
Other	27	1	2	7.4%	11.1%	\$1,907	\$ 48,723,549
<b>Totals</b>	<b>324</b>	<b>25</b>	<b>16</b>	<b>4.9%</b>	<b>12.7%</b>	<b>\$39,135</b>	<b>\$455,267,467</b>

# Best Practices

Statewide program but county administered process

- Differences in organization and processes
- Customer's experience will vary based on county of residence

Due to issues with the Ohio Benefits system AOS was unable to draw any conclusions as to the efficiency or effectiveness of any particular model or practice at the county level

# RECOMMENDATIONS

## OHIO BENEFITS SYSTEM

- Implement corrective action plans
  - Progress Reports
- Follow through with external review
  - Include evaluation of corrective action steps

# RECOMMENDATIONS

## LACK OF RELIABLE AND CONSISTENT DATA

- Work with Ohio Department of Administrative Services on data governance
  - Accountable for the quality of data generated and shared

## ALERTS

- Design & implement procedures for monitoring alerts

# RECOMMENDATIONS

## TRAINING

- Enhance training
  - Focus on effective operations of a call center
  - Mandate initial & ongoing training
  - Improve organization of resources

## COUNTY MODEL

- Formal evaluation of best practices at the counties



# State Region

- Complete an annual audit of the State of Ohio's financial statements and major federal programs.
- Issue opinions on:
  - The fair presentation of the financial statements in accordance with *auditing standards generally accepted in the United States of America*.
  - Internal controls over financial reporting and compliance with laws, regulations, contracts, grant agreements, and other matters (state and federal) material to the financial statements in accordance with *Government Auditing Standards*.
  - Compliance with requirements applicable to each major federal program (including Medicaid) and on internal control over compliance, as required by the Single Audit Act and requirements outlined in the U.S. Office of Management and Budget *Compliance Supplement*.
- Test key manual and automated internal controls (including Ohio Benefits and MITS), and compliance with eligibility requirements from the Federal Compliance Supplement for the Medicaid program each year.

# 2019 & 2020 Eligibility Testing Results

- Identified several internal control weaknesses and compliance issues related to the following items which resulted in opinion qualifications for the financial statements and the federal program requirement:
  - Similar to MCA's findings:
    - Alerts
    - State Supervised/County Administered Approach
    - Training
    - Ohio Benefits:
      - Overwriting of Eligibility Information
      - Eligibility Process/Determination Issues
      - Interagency Agreements Deficiencies
      - No data governance structure
      - No evidence of monitoring procedures for Independent Verification and Validation reports prepared by a third-party evaluator
      - No documentation or tracking for reviews/evaluations/certifications performed or required for the system by outside or internal reviewers
  - \$137,301 in questioned costs for payments to ineligible recipients for various reasons.
  - Untimely initial and renewal eligibility determinations for various recipients.

# 2021 Eligibility Testing Results

- Identified some repeat internal control weaknesses and compliance issues related to the following items which resulted in an opinion qualification for the federal program requirement:
  - Alerts
  - State Supervised/County Administered Approach
  - Training
  - Ohio Benefits:
    - Interagency Agreements Deficiencies
    - No data governance structure
  - \$1,122,338 in questioned costs for payments made to/on behalf of ineligible recipients, including \$1,115,331 related to payments to deceased recipients and an undetermined amount related to duplicate payments made during the audit period based on the MCA report.
- Improvements Noted:
  - Ohio Benefits:
    - System enhancements on 12 alert types reduced backlog to 8.8 million at year-end.
    - Corrected overwriting of eligibility information.
    - Implemented monitoring procedures for Independent Verification and Validation reports prepared by a third-party evaluator.
    - Implemented tracking for reviews/evaluations/certifications performed or required for the system by outside or internal reviewers.
  - Increased online job aides and trainings made available for caseworkers, but training is not mandatory.

# 2022 and Beyond

- 2022 Audit – We will again audit the State of Ohio financial statements and Medicaid program, which will include following up on the status of these prior recommendations:
  - Redesign the alert process to be more effective/efficient, including a centralized evaluation of alert activity to vet/prioritize them.
  - Require mandatory training for all county caseworkers who are entering assistance group information into Ohio Benefits.
  - Regularly evaluate selected benefit payments to ensure they are accurate, made to eligible recipients, and are properly supported.
  - Collaborate with DAS to prioritize and implement program changes in Ohio Benefits which directly impact eligibility determinations.
  - Formalize interagency agreements to include roles and responsibilities of each agency to achieve program compliance.
  - Implement a data governance structure designed to ensure data quality and reliability for all users.
  - Evaluate current process for identifying duplicate recipient IDs and deceased individuals and make system enhancements to improve the process.
- Public Health Emergency (PHE)/Pandemic Impact – Certain requirements related to eligibility have been waived during the PHE. This includes the timeframe required to determine initial eligibility and for eligibility redeterminations. In addition, existing recipients cannot be removed from the program until the PHE ends, which is expected to be after FY 2022. This will likely result in a significant effort by ODM to evaluate and remove ineligible recipients in a timely manner, which increases the risk of errors.

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