Section 3.3 Aging and Disability Resource Centers – 2014 *(No changes)*

This section is applicable to audits of agencies that have employees working on Aging and Disability Resource Center activities, whether the funding for these activities is received directly from the Department of Health Services or through a lead agency.

Funding: General Purpose Revenue (GPR, i.e. state funding) and Medical Assistance, CFDA number 93.778. The federal government has identified Medical Assistance as a program of higher risk. Auditors will need to ensure that they meet the federal requirements for testing a major federal program within the context of also ensuring they meet the requirements from the Department of Health Services.

Aging and Disability Resource Centers offer "one-stop shopping" to the general public with a focus on issues affecting older people, people with disabilities, or their families. These Centers are welcoming and convenient places to get information, advice and access to a wide variety of services. As a clearinghouse of information about long-term care, they will also be available to physicians, hospital discharge planners, or other professionals who work with older people or people with disabilities. Services will be provided via the telephone, at the Center or in visits to an individual's home. Detailed descriptions of the services the Resource Centers provide are contained in the Resource Center Contract. A general description of the services they provide follows:

- **Information and Assistance.** Providing information to the general public about services, resources and programs in areas such as: disability and long-term care related services and living arrangements, health and behavioral health, adult protective services, employment and training for people with disabilities, home maintenance, nutrition and Family Care. Resource Center staff will provide help to connect people with those services and to apply for SSI, Food Stamps and Medicaid as needed.
- **Long-Term Care Options Counseling**. Offering consultation and advice about the options available to meet an individual's long-term care needs. This consultation will include discussion of the factors to consider when making long-term care decisions. Resource Centers will offer pre-admission consultation to all individuals entering nursing homes, CBRFs, adult family homes and residential care apartment complexes to provide objective information about the cost-effective options available to them. This service is also available to other people with long-term care needs who request it.
- **Benefits Counseling.** Providing accurate and current information on private and government benefits and programs. This includes assisting individuals when they run into problems with Medicare, Social Security, or other benefits.
- **Emergency Response.** The Resource Center will assure that people are connected with someone who will respond to urgent situations that might put someone at risk, such as a sudden loss of a caregiver.
- **Prevention and Early Intervention**. Promote effective prevention efforts to keep people healthy and independent. In collaboration with public and private health and social service partners in the community, the Resource Center will offer both information and intervention activities that focus on reducing the risk of disabilities. This may include a program to review medications or nutrition, home safety review to prevent falls, or appropriate fitness programs for older people or people with disabilities.
- **Access to the Family Care Benefit**. For people who request it, Resource Centers will coordinate and complete the functional eligibility process to determine the individual's level of care and assist with the financial eligibility process. Once the individual's level of need is determined, the Resource Center will provide advice about the options available to him or her – to enroll in Family Care, IRIS, stay in the Medicaid fee-for-service system (if eligible), or to privately pay for services.

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If the individual chooses Family Care, the Resource Center will enroll that person in the Managed Care Organization (MCO). The level of need determined by the Resource Center will also trigger the monthly capitation payment amount to the MCO for that person.

Unless otherwise indicated, all compliance requirements discussed in this section are based on the Department of Health Services Aging and Disability Resource Center contract for current calendar year. The auditor should refer to the actual contract and any supplementary materials when assessing how a requirement applies to a particular Resource Center.

Risk assessment

The Department of Health Services has designated the Aging and Disability Resource Center program to be a Type A program when expenditures reported for reimbursement are $300,000 or more (see *DHS Audit Guide*, Section 1.2.2 "Additional requirements for single audits"). Risk factors include:

- The program has not been audited in at least one of the last two audits.
- The auditor identified significant findings for this program in the most recent audit.
- The auditee has had significant changes in personnel or systems affecting the program.
- The program is new for this auditee or the program requirements have recently changed substantially.
- The program has complex administrative requirements.
- The auditor identified significant problems in performing the general compliance testing for requirements that are relevant to this program (*DHS Audit Guide*, Section 2).

Compliance requirements and suggested audit procedures

ADRC A. Accounting and reporting requirements

Compliance Requirement: The standard Resource Center contract requires, in Article IX, Section A, the Resource Centers to maintain uniform double entry, full accrual accounting system and a financial management information system in accordance with generally accepted accounting principles. In addition, the requirements in Exhibit I, Section IV, Subsection M of the contract include:

2a. Staff of the ADRC and its subcontractors, unless exempt, are required to complete 100% time reporting for the purpose of claiming Medicaid Administration funding, results to be submitted to the Department on request (currently monthly).
2b. The ADRC shall submit quarterly activity reports.
2c. The ADRC shall send agendas to the Regional ADRC Quality Specialist for its area in advance of the meeting and the minutes from those meetings upon request.
2d. The ADRC shall use the Department's Disability Benefit Specialist client database.
2e. ADRCs shall report monthly expenditures to the Department on the approved DMT 862 or DMT 600 form.
2f. The ADRC is required to submit an annual expenditure report on the report form provided by the Department.
2g. The ADRC is required to complete and submit the ADRC Annual Update, which includes contact information, organization charts, personnel and budget worksheets and other information, the content of which will be identified by the Department.

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Suggested Audit Procedures:

- Sample Resource Center transactions and review accounting policies and procedures to determine compliance with generally accepted accounting principles and the provisions of Exhibit I, Section IV, Subsection M of the contract.
- Review the annual expenditure report to determine accuracy and consistency between CARS reporting/DMT-862, CARS 610 and the internal general ledger accounting records.

ADRC B. Medicaid cost center for information and assistance activities

Compliance Requirement: The Resource Center contract requires the Resource Center to maintain what can be termed as a Cost Center in order to claim Medicaid Funds.

In order to claim Medicaid funds, each Resource Center shall establish a separate Cost Center or Department for the ADRC expenses. There can be one Cost Center for the entire program in the accounting records, or there may be one for I & A Staff, one for DBS I & A staff and one for EBS I & A staff. These cost centers will include all costs related to performing approved ADRC activities.

Costs charged to these Cost Centers are based on 100% time reporting or in the case of indirect expenses an acceptable methodology.

Regardless of the number of Cost Centers the costs eligible for Medicaid reimbursement are determined by applying the results from the 100% time reporting summary sheets to the Cost Centers and are reported to the State via the Community Aids Reporting System (CARS) on profile numbers 560086 for I & A, 560080 for DBS I & A staff and 560070 and 560074 for EBS I & A staff. EBS I & A staff can also be claimed through Greater Wisconsin Agency on Aging Resources (GWAAR) using profile numbers 560020 and/or 560028. Fifty percent (50%) is the total of the Medicaid eligible portion of the costs, which is then allocated to profiles 560087, 560081, 560072, 560021 and 560029 respectively, for reimbursement to the Resource Center. The remaining amounts are then allocated to profile 560088, 560092, 560072, 560022 and 560030 respectively, for reimbursement to the Resource Center to the funding level available by contract. Those costs not eligible for Medicaid reimbursement, which are identified by the 100% time reporting results being applied to the Cost Centers, are reported on profiles 560095, 560085, 560075, 560023 and 560031 respectively.

Suggested Audit Procedures:

- Ensure that expenditures reported on CARS profiles 560086, 560080, 560074, 560070 were not also reported on CARS profiles 560095, 560085 and 560075.
- Ensure that expenditures reported on Profiles 560070, 560074, 560075 were not also reported on 560020, 560023, 560028, and 560031.
- Review monthly expenditures for reasonableness and consistency. If material fluctuations exist, determine the source by performing a more extensive review.
- Review monthly hours for reasonableness and consistency. If material fluctuations exist, determine the source by performing a more extensive review.

ADRC C. Functional screen federal financial participation (FFP)
Compliance Requirement: Resource Centers are eligible to receive federal payments to offset 50% of the costs of administering functional screens if those screens are used to determine an individual's eligibility for the Medicaid program.

Costs of functional screens are reported on CARS profile number 560090. The calculated Medicaid portion is allocated to profile 560091 for reimbursement to the Resource Center. The remaining amount is then allocated to profile 560092 for reimbursement to the Resource Center to the funding level available by contract.

Suggested Audit Procedures:

- Ensure that expenditures reported on CARS profile 560090 were not also reported on CARS profile 560095.

Presentation of findings

See Section 4.11 of the *Main Document to the State Single Audit Guidelines* for guidance on development of an audit finding. When presenting findings for ADRC's, identify the program and the specific compliance requirement, for example "ADRC A. Accounting and reporting requirements."

Questions

Please send questions by email to DHSAuditors@Wisconsin.gov and include the identifier for the audit procedure, for example - "ADRC A. Accounting and reporting requirements," and the name of the auditee in the message.