



Department of Health

Help Me Grow Audit

Audit Period: July 2014 through December 2015

Results Summary:

Objective	Conclusion
Home Visiting Enrollment Monitoring	Improvement Needed
Disbursements for Home Visiting	Improvement Needed
Outcome Measurement and Reporting	Improvement Needed

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Executive Summary

Background

The Help Me Grow Home Visiting program provides expectant or new parents with the information, support and encouragement they need through a voluntary home visiting service. Home Visiting aims to educate at-risk parents with the resources to understand and capitalize on the optimal early years of a child's life. The Home Visiting program has four central goals: 1) Increase healthy pregnancies, 2) Improve parenting confidence and competence, 3) Increase family connectedness to community and social supports, and 4) Improve child health, development, and readiness. During state fiscal year 2015, the Home Visiting program expended \$10 million in state General Revenue Funds to 74 home visiting contractors to support 9,044 families and \$12.5 million in federal Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program funds to 26 contractors to support 1,692 families. MIECHV funds are used to expand evidence-based home visiting services to women during pregnancy and to parents with young children to address specific community needs.

During the audit, OIA identified opportunities for ODH to strengthen internal controls and improve business operations. OIA conforms to the *International Standards for the Professional Practice of Internal Auditing*. OIA would like to thank ODH staff and management for their cooperation and time in support of this audit.

This report is solely intended for the information and use of agency management and the State Audit Committee. It is not intended for anyone other than these specified parties.

Scope and Objectives

OIA staff was engaged to perform an assurance audit related to key processes within the Help Me Grow Home Visiting program. This work was completed November 2015 through March 2016. The audit period was July 2014 through December 2015. Audit objectives included the following:

- Evaluate the design and effectiveness of Home Visiting enrollment monitoring.
- Evaluate the design and effectiveness of controls over disbursements for Home Visiting.
- Evaluate the design and effectiveness of controls over outcome measurement and reporting.

* Please refer to Appendix A for classification of audit objective conclusions.



Detailed Observations and Recommendations

The Observations and Recommendations include only those risks which were deemed high or moderate. Low risk observations were discussed with individual agency management and are not part of this report. However, the low risk observations were considered as part of the audit objective conclusions.

Observation 1 – Home Visiting Program Monitoring and Outcome Measurement

ODH is required to establish the Help Me Grow Program as outlined in Ohio Revised Code (ORC) § 3701.61 to encourage early prenatal and well-baby care and provide parenting education to promote the comprehensive health and development of children. The Help Me Grow Program includes home visiting services to families with a pregnant woman or an infant or a toddler under three years of age who meet the eligibility requirements. According to Ohio Administrative Code (OAC) § 3701-8-02.1(A), ODH is responsible for monitoring Help Me Grow contractors and providers for compliance and to ensure they are abiding by the terms of the grants, agreements, and other applicable program-related federal or state laws. However, ODH does not have policies and procedures to outline a monitoring framework. Additionally, ODH does not have processes in place to measure the success of the home visiting program and to evaluate families' achievements of goals for program participation.

Contract and grant agreements outline documentation requirements that home visiting contractors and providers must submit to ODH to support and document home visiting services. The documentation requirements include quarterly program reports to inform ODH on home visiting program implementation. Home visiting contractors use program reports to provide ODH information regarding staffing, outreach, successes and challenges, and technical assistance or training needs. However, ODH has no formal review procedures over the information in the quarterly program reports, no process to track receipt of reports, and no consistent method to maintain reports.

ODH's primary monitoring activity of home visiting contractors and subgrantees is site visits. The scope of site visits may include reviews of financials, data, and files. However, ODH has not implemented a risk-based approach to determine the frequency of site visits and the extent of site visit procedures for its 97 home visiting contractors and subgrantees. Instead, ODH determines its site visit schedule based on ad-hoc information gathered from the Help Me Grow system (Early Track) and based on identifying contractors and subgrantees in need of technical assistance or training. Additionally, ODH does not consistently record site visits or maintain documentation to support procedures conducted and issues identified during the visits. Overall, ODH's site visit procedures are not designed to identify ineligible families or to



ensure home visiting contractors and subgrantees comply with program requirements.

Lack of procedures to review and evaluate home visiting contractors' quarterly program reports reduces ODH's ability to timely identify high and low performing contractors and subgrantees and lessens ODH's ability to evaluate the home visiting program and measure success. Failure to implement monitoring procedures to ensure compliance with program rules and regulations increases the likelihood that ineligible families receive home visiting services or that eligibility determination timeframes and home visiting frequency requirements are not met. Lack of a risk-based approach to determine the frequency of site visits and the extent of site visit procedures increases the likelihood of inefficient and ineffective use of resources, that programmatic issues are not timely detected and that Help Me Grow home visiting goals are not achieved.

Recommendation

Identify key performance indicators to evaluate the success of the home visiting program and to measure the success of families' achievements of goals for program participation. Key performance indicators may include length of time families are in the home visiting program, reasons for leaving the program, birth outcomes (i.e. pre-term birth or low-birth weight), etc. Evaluate data reported by home visiting contractors and subgrantees in quarterly program reports to determine if information is sufficient to effectively evaluate the home visiting program. Revise contracts and grant agreements to require home visiting providers and subgrantees to submit data and information necessary to evaluate the program in a format conducive to the agency. Develop and implement procedures to utilize quarterly program data and information from contractors and subgrantees to measure the overall success of the home visiting program and to evaluate contractors individually, by county, and statewide. For example, consider use of information and data gathered from quarterly reports, the Early Track system, and other sources to conduct data analytics to monitor contractors' compliance with program requirements (i.e. eligibility and determination timeframes, home visiting frequencies, rate of families' completion of family plans, etc.). Such procedures should include roles and responsibilities for conducting reviews of quarterly program reports, timeframes for completing reviews and data analytics, documentation requirements to evidence completion of procedures, as well as tracking and maintenance requirements.

To maximize resources, develop and implement an annual risk-based approach to determine the frequency and extent of monitoring home visiting contractors and subgrantees. Evaluate each contractor and subgrantee to assign a risk level (i.e. high, moderate, or low risk). Factors that affect the risk level may include:

- Duration of time as a home visiting contractor;
- Contractor's overall control environment (i.e. new personnel, staffing levels, length of program waitlist, available program capacity, etc.);



- Compliance with submitting required reports timely;
- The level and type of recent technical assistance provided to the contractor;
- Results of previous monitoring; and
- Results of data analytics procedures to identify instances of non-compliance with program requirements and program success.

Use the results of the annual risk assessment to develop an annual monitoring plan. The plan should outline the extent of monitoring procedures (i.e. fiscal, operational, documentation, compliance, outcome, etc.) and responsibility for conducting procedures. Develop and implement routine monitoring standards and procedures for each risk level. For example:

- Low risk monitoring may include reviews for operational changes and may be completed through desk reviews, telephone interviews, or analyzing results of deliverables. Results of low risk monitoring procedures should determine whether or not to revise the initial risk assessment and if additional monitoring is needed.
- Moderate risk monitoring should include monitoring for compliance issues such as home visiting program eligibility and contractor requirements or to verify program funds are not used inappropriately. Monitoring procedures may or may not include a site visit.
- High risk monitoring should involve site procedures with an increased testing of program data and reporting. Objectives may include testing the reliability of program reports, testing the reliability of Early Track data, and testing to determine if contractors' are achieving program goals.

Management Response

Successful outcomes for children and families are of the highest priority for the Ohio Department of Health (ODH). As such, ODH proposes to implement a risk-based approach to monitor the effectiveness of outcome measurement and reporting, no later than December, 2016. With the aim of becoming a data-informed program, ODH has already taken steps towards this observation by reorganizing the home visiting section. A current FTE has been repurposed with the responsibility of serving as Home Visiting Performance Planner. In conjunction with the program leadership, and the ODH Office of Performance Improvement, this position will lead efforts to establish policies and procedures to measure the impact of home visiting programs on Ohio's at-risk communities. Among other key duties, this position will:

- Work with agency and program leadership to finalize a statewide measurement plan for all ODH supported home visiting programs;
- Incorporating the recommendations of this observation, assist in the design of a risk-based approach to determine the frequency of monitoring site reviews for all contractors and subgrantees, thus allowing for enhanced ability to monitor eligibility, proper



<p>documentation of visits, as well as potential action plans;</p> <ul style="list-style-type: none"> • Assist program leadership in establishing formal policies and procedures to document the receipt, review, dissemination, and storage of contractor quarterly reports; • Develop and execute a communication and training plan to inform applicable stakeholders of new ODH policy and procedures; • Integrating the aforementioned recommendations, assist program leadership in the facilitation of an annual risk assessment and subsequent monitoring plan, which is informed by routine standards and procedures. 		
Risk	Remediation Owner	Estimated Completion Date
Moderate	Help Me Grow Home Visiting Program Administrator	December 2016

Observation 2 – Disbursements to Centralized Coordination Contractors

According to OAC § 3701-8-04 (A), centralized coordination contractors ensure the implementation of coordinated public awareness activities for the Help Me Grow program for the county. ODH contracts with 83 centralized coordination contractors to provide services in every county. According to the contracts, centralized coordination contractors must submit to ODH quarterly and final program and expenditure reports. Also according to the contracts, upon receipt of each quarter’s program and expenditures reports, ODH disburses one fifth of the total contract amount to every centralized coordination contractor, not to exceed the total contract amount.

Based on discussions with ODH Help Me Grow management, prior to the disbursement of funds to centralized coordination contractors, an ODH Help Me Grow home visiting program consultant is responsible for documenting receipt of the program and expenditure reports and saving the reports to a shared drive. Additionally, the consultant uses a spreadsheet to compare the allocated disbursement amount to the actual expenditure amount reported by the centralized coordination contractors on the expenditure reports.

However, during the period July 2014 through December 2015, ODH disbursed funds to centralized coordination contractors prior to receipt of program and expenditure reports and without review of reports for completeness and reasonableness. OIA tested a sample of 27 disbursements to 16 centralized coordination contractors and found that ODH had not received the quarterly expenditure report for two (7%) disbursements. For 11 of the disbursements tested



during the second quarter of state fiscal year 2016, ODH had not received the quarterly program report for five (45%) disbursements. Also, ODH's quarterly disbursements represent 25 percent of the contract amount, instead of one fifth of the total contract amount, as outlined in the terms of the state fiscal year 2016 contract. Based on the terms of the contract to pay one fifth of the contract each quarter, ODH should have paid \$615,347 for 22 disbursements during state fiscal year 2016. However, ODH paid \$769,047, a difference of \$153,700. Overall, the quarterly disbursements are greater than the majority of centralized coordination contractors' expenditures. Based on data provided by ODH, 46 of 83 (55%) contractors had expenditures that were at least \$1,000 less than the funds received from ODH for the first two quarters of state fiscal year 2016. ODH disbursements were \$479,000 greater than the 46 contractors' expenditures. The average amount of excess disbursements per contractor is \$10,400 (range of \$1,000 to \$73,500).

Additionally, the expenditure reports are in a spreadsheet format that allows contractors to add rows and columns and to change or revise expenditures reported in past quarters on future expenditure reports. On four reports (15%), the total expenditures were not accurate due to the addition of rows that were not included in the calculations.

Failure to ensure receipt of all required deliverables prior to disbursing payments lessens ODH's ability to oversee centralized coordination contractors' use of funds and increases the likelihood that funds are used inappropriately or are not used without timely detection. Expenditure reports in a spreadsheet format that centralized coordination contractors may edit or revise a previous quarter's expenditures reduces the quality of the reports and the reliance that may be placed on the information in the reports.

Recommendation

Establish and document monitoring procedures to validate the accuracy of information received within the quarterly expenditure and program reports to ensure contractors are fulfilling the contract requirements, utilizing funds appropriately, and that expenditures are within approved budgets. Compare expenditures to budgets and request explanations for instances in which expenditures exceed budgets by an established threshold, such as 10 percent. Request explanations and documentation from central coordination contractors to determine appropriateness of such expenditures. Evaluate the methodology of equal disbursements during the contract period to determine if it meets business needs and promotes improved programmatic outcomes. Consider alternative funding models such as disbursements based on performance outcomes, expenditure reimbursements, or fee for service.

Update the expenditure report format so that centralized coordination contractors may not edit report templates or revise expenditures from a previous reporting period. Explore the feasibility of contractors submitting expenditure report information through an online portal with documentation uploading capabilities to improve the report's reliability and to enhance



functionality to monitor reports and timely identify issues or discrepancies.

Management Response

Seeking to enhance efforts to be proper and efficient stewards of public funding, the Ohio Department of Health proposes the implementation of a risk-based approach to monitor disbursements for the home visiting program, which includes central coordination, no later than December, 2016. Seeking to streamline reporting and data collection efforts, ODH has already taken steps towards this observation by reorganizing the home visiting section. Staff from the home visiting program and members of the Office of Financial Affairs (OFA) will work collaboratively to establish a process for developing, implementing, facilitating, and monitoring the disbursement process and applicable reporting. Program and/or OFA staff will also:

- Work in collaboration with ODH leadership to establish formalized procedures to receive, document, evaluate, and store contractually required fiscal reports;
- Evaluate and establish an outcome-based methodology that supports improvement in statewide birth outcomes;
- Revising current disbursement methods to ensure that payments are timely, accurate, and within contractual guidelines;
- Revise the expenditure report, ensuring its distribution in a secure format, thus preventing local level edits;
- Collaborate with ODH technology staff to explore the potential for online submission of contractually required reporting.

Risk	Remediation Owner	Estimated Completion Date
Moderate	Help Me Grow Home Visiting Program Administrator	December 2016

Observation 3 – Early Track System Access

The Help Me Grow Early Track system is used to help determine families’ eligibility, pay claims for home visiting services, and maintain family plans and case notes. Therefore, the Early Track system stores confidential and personally identifiable health information. In addition to ODH Help Me Grow program staff, external contractors and their staff members that provide Help Me Grow services have access to the Early Track system. Prior to granting Early Track system access, ODH obtains signed user agreements and issues a training certificate after the new user has completed Early Track system training. However, from a sample of 10 Help Me Grow home



visitors that accessed the Early Track system at any time during the period of July 2014 through December 2015, five (50%) accessed the system without a training certificate on file with ODH and one (10%) accessed the system without a user agreement on file.

Routine system access monitoring is a best practice to help ensure access is appropriate and to aid in safeguarding confidential and personally identifiable information. However, ODH does not periodically review user access to the Early Track system or routinely monitor system access for appropriateness. Instead, ODH relies on the home visiting contractors' system administrators to provide notification in the event users' access must be restricted or removed. Additionally, ODH does not have formal procedures to identify inactive contractors and remove their users' access.

Failure to obtain and retain approval documentation of all Early Track system users' access may reduce ODH's ability to extend safeguarding confidential and personally identifiable health information responsibility to contracted users. Failure to conduct routine monitoring of Early Track system access increases the likelihood of inappropriate user access without timely detection. Inappropriate access may result in improper use of sensitive information.

Recommendation

Identify all Early Track system users. Work with the contractors' Early Track system administrators to identify users that no longer require access and to validate all users' access. Obtain and retain user agreements and training certificates for all users. Identify all inactive contractors and immediately remove their users' Early Track system access.

Develop and implement a monitoring process to ensure appropriate Early Track system access. For example, require system administrators to report required system access reductions or removals within a specified timeframe and to report all users and their access levels at least annually. Select samples of users to ensure user agreements match access levels and training certificates are on file. Document reviews in order to note discrepancies and resolutions. Explore the ability to terminate users' access if the user has not accessed the Early Track system during a specified timeframe, such as three months.

Management Response

To ensure data integrity and security, the Ohio Department of Health proposes to develop a risk-based monitoring protocol for the Early Track data system. Incorporating the aforementioned recommendations, the Ohio Department of Health proposes:

- Co-led by the system Data Administrator and program staff, facilitate a full audit of current internal and external users of the data systems, evaluating current access, roles, and responsibilities in order to validate access of current users;
- Early Track Data Administrator and program staff develop a formal monitoring procedure, to ensure proper access to the data system. This formal monitoring plan may include



quarterly samples of users to ensure agreements match access levels and training, as well as documentation of the process;

In conjunction with ODH technology and software developers, (1) explore the possibility of incorporating an automatic termination of a users' access if they have not logged into the system within a specified timeframe, (2) investigate the potential of a reoccurring electronic process to verify user access and role.

Risk	Remediation Owner	Estimated Completion Date
Moderate	Help Me Grow Home Visiting Program Administrator	December 2016

Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing the observations and recommendations suggested above. However, these observations reflect our continuing desire to assist your department in achieving improvements in internal controls, compliance, and operational efficiencies.



Appendix A – Classification of Conclusions and Observations

Classification of Audit Objective Conclusions

Conclusion	Description of Factors
Well-Controlled	The processes are appropriately designed and/or are operating effectively to manage risks. Control issues may exist, but are minor.
Well-Controlled with Improvement Needed	The processes have design or operating effectiveness deficiencies but do not compromise achievement of important control objectives.
Improvement Needed	Weaknesses are present that compromise achievement of one or more control objectives but do not prevent the process from achieving its overall purpose. While important weaknesses exist, their impact is not widespread.
Major Improvement Needed	Weaknesses are present that could potentially compromise achievement of its overall purpose. The impact of weaknesses on management of risks is widespread due to the number or nature of the weaknesses.

Classification of Audit Observations

Rating	Description of Factors	Reporting Level
Low	Observation poses relatively minor exposure to an agency under review. Represents a process improvement opportunity.	Agency Management; State Audit Committee (Not reported)
Moderate	Observation has moderate impact to the agency. Exposure may be significant to unit within an agency, but not to the agency as a whole. Compensating controls may exist but are not operating as designed. Requires near-term agency attention.	Agency Management and State Audit Committee
High	Observation has broad (state or agency wide) impact and possible or existing material exposure requiring immediate agency attention and remediation.	Agency Management and State Audit Committee