

April 22, 2015

The Honorable Alan Bates, Co-Chair
The Honorable Nancy Nathanson, Co-Chair
Joint Ways and Means Sub-Committee on Human Services
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

Dear Co-Chairs:

Please accept this letter as the response to questions from the April 8th and 9th Joint Ways and Means Human Services Sub-Committee regarding the Department of Human Services and Oregon Health Authority Shared Services.

Day 1, April 8th

Question: What is the administrative Per Member Per Month (PMPM) for OHP? Can this be calculated?

Answer: The estimated PMPM to cover the OHA shared services for Medical Assistance Programs is \$0.58. This was calculated by projecting the 2015-17 cost allocation charge for OHA's shared services and state government service charges and then applying the total cost to the average monthly forecasted caseload, thus calculating a PMPM for shared services costs. To note, this does not include the entire administrative PMPM for OHP; which would require further analysis of administrative costs across OHA and CCOs.

Question: Please provide a historical look at the Risk Management Budget for each agency.

Answer:

11-13 Budget				
	GF	OF	FF	TF
OHA Budget	5,990,784	19,536	314,266	6,324,586
DHS Budget	7,490,862	2,604	5,197,685	12,691,151
13-15 Budget				
	GF	OF	FF	TF
OHA Budget	5,914,240	126,808	257,140	6,298,188
DHS Budget	9,723,472	-	7,955,568	17,679,040
15-17 Budget				
	GF	OF	FF	TF
OHA Budget	7,347,919	41,939	443,206	7,833,064
DHS Budget	9,909,095	-	8,075,490	17,984,585

Question: Please provide the names of the Joint Policy Committee and the Joint Operation Steering Committee.

Answer:

Joint Operations Steering Committee:

- Erinn Kelley-Siel, DHS Director Ex Officio
- Lynne Saxton, OHA Director Ex Officio
- Suzanne Hoffman, OHA Chief Operating Officer co-Chair
- Jim Scherzinger, DHS Chief Operating Officer co-Chair
- Bill Coulombe, OHA Budget Director
- Ryan Vogt, DHS Assistant Administrator for Field Operations for CW/SS
- Bobby Green, OHA Director of Local Government Affairs
- Jana McLellan, DHS Director of Stabilization and Crisis Unit
- Jeff Emrick OHA, Deputy Director of Additions and Mental Health Division
- Kristin Duus, DHS/OHA Chief Information Officer
- Sarah Miller, DHS Chief Operating Officer for Information Technology.

Joint Policy Committee

- Erinn Kelley-Siel, DHS Director Ex Officio
- Lynne Saxton, OHA Director Ex Officio
- Mike McCormick, DHS Aging and People with Disabilities Director
- Lilia Teninty, DHS Intellectual/Developmental Disabilities Director
- Lois Day, DHS Child Welfare Director
- Trina Lee, DHS Vocational Rehabilitation Director
- Vacant, Co-Chair DHS Self Sufficiency Director
- Leslie Clement, Co-Chair Chief of Policy for OHA
- Pam Martin, Director of Addictions and Mental Health
- Lillian Shirley, Director of Public Health
- Rhonda Busek, interim Medical Assistance Programs Director
- LeAnn Johnson, Director of Office of Equity and Inclusion

Question: Does OPAR track overpayment errors by branch and provide that data to the branches?

Answer: Yes, this information is tracked by Branch. For context, about 11 percent of all referrals we receive are Branch Referrals, 85 percent of referrals are from Quarterly Wage Match with the employment department, 2.5 percent are from Investigation Referrals and 1.5 percent from other sources. Information is provided to the Branches on request.

Question: Do we have data regarding in-home child care background checks for those receiving state assistance.

Answer: Background checks

To be eligible for payment from DHS, providers and other people in the house or facility who may have access to the children in care, must pass a background check, including relative providers. This background check includes criminal history and Child Protective Services (CPS) history checks.

DHS conducts the background checks for license exempt providers for the following individuals:

For license-exempt child care facilities: The site director, and everyone who works in the facility who will have access to the children in care. This includes substitute caregivers.

For license-exempt child care homes: The provider, everyone who is age 16 and older and lives in the home, substitute caregivers, and any visitor to the home during the hours care is provided, who may have unsupervised access to the children in care. The parents of the children in care must also be included if they live with the provider.

Background checks for licensed providers are completed through the Office of Child Care's (OCC) Central Background Registry process. The purpose is to ensure that all individuals working in or associated with child care facilities and other early childhood care and education programs in Oregon have received criminal history and child protective services records checks and have been determined suitable to work with children. The following must be enrolled in the registry:

Registered Family Child Care Home: The provider, all other residents of the home, substitute caregivers, and frequent visitors 18 years of age or older.

Certified Family Child Care Home: The owner, provider, all other residents of the home, substitute caregivers, frequent visitors and staff 18 years of age or older.

Certified Child Care Center: The owner, operator, child care staff, volunteers, or any individual who may have unsupervised contact with child care children during operation hours that are 18 years of age or older.

Fingerprints

Persons who have lived outside of Oregon in the last 18 months for 60 consecutive days or more, who have convictions or arrests for crimes in other states, or who have an out of state driver's license will be required to submit fingerprints for a national check in order to complete the background check process in DHS.

The Child Care and Development Block Grant (CCDBG) Act of 2014 requires fingerprinting for national checks on all providers; compliance required by 9/30/2017.

Additional provider changes from Reauthorization of the CCDBG:

- Added training requirements, including pre-service trainings and emergency preparedness

- Monitoring of license-exempt providers (states may choose to exempt relatives); compliance by 11/19/2016

Program Integrity Measures

The Office of Payment Accuracy and Recovery (OPAR) includes four units that work together to identify fraud and collect improper payments in the child care programs. These units include Data Match, Fraud Investigations, Overpayment Writing and Overpayment Recovery. OPAR staff work closely with staff at the DHS Field Offices, ERDC policy analysts, direct pay and background check units, Office of Child Care licensing staff, County Prosecutors and with local, state, federal, and international law enforcement agencies when necessary. OPAR also receives community complaints through the statewide toll-free number for reporting fraud. This number is publicized in notices sent to child care providers and clients.

As part of program integrity efforts OPAR works a variety of data match reports to reduce erroneous benefits and identify fraud. Monthly audits of provider payments are also conducted. This includes a random sampling of provider attendance logs (which are compared with the amount billed and the client case record to identify improper payments), and a school age report (reviewed to identify improper billing for care during the school day). This has resulted in the discovery of overpayments, but DHS believes the main value is preventative since providers know they are being audited.

OCC/DHS Coordination

Communication between the OCC and DHS is a priority. Direct Pay Unit (DPU) and Background Check Unit (BCU) staff are trained to identify and access information between licensing systems and DHS provider pay systems. It is utilized to check provider eligibility, ensuring they are not receiving subsidies for more children than they are licensed to serve and flagging providers who are at risk for fraud or abuse. Information is shared between agencies to ensure safety of children. Examples of cross coordination include:

- Reporting providers who exceed the allowable number of children in care (includes internal coordination in DHS between DPU, BCU, OPAR and the field);

- DHS reports child welfare investigations in licensed child care facilities to OCC;
- BCU notifies child welfare and parents when a background check identifies imminent danger for a child in care.

The DPU verifies child care provider social security numbers (SSN) or tax ID numbers through the Internal Revenue Service (IRS) website, using a process called TIN matching. This ensures that the tax ID or SSN reported by providers is valid and any payments made to the child care provider are reported to the IRS. The Oregon DHS Child Care Program has not had any IRS Penalties.

Day 2, April 9th

Question: Please provide more detail on how this investment would “increase safety to workers who often work in clients” homes.

Answer: This package would right-size the Fraud Investigation Unit for both the traditional number of fraud referrals needing investigation and to provide back-up and safety-oriented support for investigators as they go about their hazardous day-to-day activities. This staffing level would also allow the team to steadily reduce their backlog and provide the capability needed to work the new leads generated by the enhanced data analytics capabilities this package would also fund.

At times there are situations where investigators are put in dangerous situations. This investment would allow investigators to go in pairs to reduce known or believed hazardous situations during investigations or collections.

We hope this letter addressed the identified questions adequately. If you have additional questions or concerns, please do not hesitate to contact me at 503-884-4701 or email, eric.l.moore@dhsosha.state.or.us

Sincerely,



Eric Luther Moore
DHS Chief Financial Officer

Enclosure

cc: Laurie Byerly, Legislative Fiscal Office