

March 23, 2009

**Alternative Community Services
DMS Quality Assurance
2008 Annual Report**

A systematic random sampling of the active case population was drawn. The population size is 3311 with a sample size of 144. For each assurance (level of care, plan of care, provider qualifications, health and welfare, financial accountability) several measures have been identified to determine if the operating agency is in compliance with the approved waiver document.

Assurance	% COMPLIANCE
Level of Care (LOC)	100%
Plan of Care (POC)	100%
Provider Qualifications	98.5%
Health and Welfare	100%
Financial Accountability	100%
For all assurances the DDS Alternative Community Services Waiver was found to be 99.7% in compliance with all applicable rules, regulations, policies and procedures.	

Recommended Remediation:

Under utilization of prescribed services continues to be a concern for DMS. It is understood that there are situations that are beyond the control of the provider when contemplating the budget and schedule for the upcoming year. DDS has done a good job of asking providers to explain the under utilization of services in the narrative portion of the plan of care. Generally, the provider's response regarding under utilization falls into one of a few categories – lack of available staff, family not comfortable with staff, and error on the part of the provider in billing. While the staffing issues cannot be controlled, the provider's ability to bill timely and correctly is something that can be monitored and improved upon.

There are several reoccurring concerns that are not part of the CMS assurances but have caused errors to come to light during the reviews:

- There have been a number of errors in changing, cancelling, and issuing prior authorizations.
 - When a change occurs that results in issuing a new prior authorization, not only should the end date change, but the amount authorized should change to accurately reflect the amount of services allowed for that time period.
 - Requests to cancel prior authorizations should be handled timely in order to prevent billing errors.
 - There have been an increasing number of duplicate prior authorizations issued during the reviews this quarter. Extra care should be taken to ensure that only one prior authorization is issued so that billing errors, over billing, and the like do not occur.

Please address each of these concerns with actions steps to remedy the concerns by **April 23, 2009**.

Operating Agency's Remediation Plan:

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