



Personal Care Assistance

Major Findings:

- Between fiscal years 2002 and 2007, estimated publicly funded personal care assistance (PCA) expenditures grew by 164 percent, from \$153 million to just over \$400 million annually.
- Personal care services remain unacceptably vulnerable to fraud and abuse.
- Provider agencies are allowed to administer PCA services without demonstrating their understanding of state requirements.
- Many recipients strongly value the PCA services they receive, although there has been little systematic analysis of outcomes.
- The Department of Human Services (DHS) has implemented a weak quality assurance review program for PCA services.
- Minnesota has not implemented sufficient controls and guidance to ensure that assessments of individuals' need for PCA services are reasonably consistent around the state.
- DHS protects vulnerable recipients by screening providers for records of criminal offenses, but many adult recipients do not have the abuse prevention plans required by state law.

- Supervision of personal care assistants is sometimes inadequate.

Recommendations:

- DHS should promptly and regularly analyze claims data to identify improper payments. It should also conduct more quality assurance reviews and investigations of PCA agencies.
- The Legislature should establish mandatory training requirements for PCA assessors and the provider agencies that administer PCA services.
- The Legislature should require that all Medical Assistance State Plan PCA recipients have their services periodically supervised by a "qualified professional."
- The Legislature should amend statutes to give DHS responsibility for investigating all maltreatment reports involving unlicensed personal care provider agencies.
- DHS should identify topics that all personal care assistants need to understand. PCA agencies and service recipients should arrange for training in these topics, as needed.

Personal care assistance is an important service to many Minnesotans, but it lacks sufficient state oversight and accountability.

Report Summary

Personal care assistance (PCA) helps individuals living in non-institutional settings who are unable to care for themselves. It can include assistance with daily living activities, behavior issues, or other health-related tasks. Minnesota offers PCA as a benefit through several publicly funded health care programs. Most PCA services are funded by Medical Assistance, Minnesota's Medicaid program.

Total annual spending for Minnesota's PCA services exceeds \$400 million.

The Minnesota Department of Human Services (DHS) has overall administrative responsibility for the state's health care programs. However, since the late 1980s, personal care provider agencies have played a major role in day-to-day administration of PCA services. In fiscal year 2008, over 500 provider agencies were paid to administer PCA services. These agencies are not required to have state licenses, and most are unlicensed.

PCA spending has grown significantly.

Between fiscal years 2002 and 2007, Minnesota's estimated total annual spending for PCA services grew from \$153 million to just over \$400 million. This represented growth of about 21 percent per year. The spending growth occurred because of increases in the number of recipients, not increases in spending per recipient. Possible reasons for growth in PCA use include the state's move away from institutional forms of care, limited amounts of other types of community-based services, and expansions of PCA eligibility and service options.

The state should provide more guidance to ensure that individuals have relatively equal access to PCA services.

There are large differences in the rates of PCA use among Minnesota counties. For example, the number of fee-for-service

PCA recipients per 1,000 Medical Assistance-eligible persons with disabilities ranges from less than 50 in several counties to more than 300 in others. These differences suggest that residents have unequal access to PCA services.

Inconsistencies in assessment practices are one plausible reason for these differences. Counties differ in the extent to which they have assessed individuals as having certain disabilities, such as behavior issues. DHS provides voluntary training for assessors, but some assessors have not taken DHS's comprehensive or advanced courses. We recommend that the Legislature mandate minimum training levels for assessors.

Assessors need more state guidance for determining who should get PCA services and how much. DHS should start with guidance for assessing behavior issues, an area that accounts for some of the recent growth in PCA enrollment. Many assessment agencies would welcome additional guidance in this area, although some people believe the widespread use of PCA for behavior issues largely reflects the lack of better alternatives. Assessment guidelines should not be too rigid, given the need to take into account individual circumstances.

We also recommend that DHS periodically review samples of assessments. This would help ensure consistency in decisions that have large state fiscal impacts.

Improper payments for PCA services have been a significant problem.

DHS is responsible for ensuring the overall fiscal integrity of the state's publicly funded health care programs. There is not definitive information about the total amount and nature of improper payments for Minnesota's PCA services, but these services are unacceptably vulnerable to fraud and abuse.

PCA services remain too vulnerable to fraud and abuse.

Investigations of possible improper PCA payments consume a disproportionately large share of the state's Medicaid fraud investigation resources. Although PCA accounts for less than 10 percent of Minnesota's total Medicaid spending, PCA cases account for an estimated 65 percent of DHS fraud investigators' time and half of the Attorney General's Medicaid prosecutions. Nevertheless, most PCA fraud investigations have been narrow in scope, usually done in response to complaints and focusing on an individual caregiver or recipient. DHS should reallocate existing resources to conduct more PCA-related investigations, especially given the recent increase in the number of new PCA agencies.

DHS has taken some steps to address past problems with improper payments. For instance, DHS assigned unique numbers to PCA caregivers starting in 2005 to help identify implausible claims for payment. But, through 2008, DHS had not established controls to prevent payment for clearly inappropriate claims. For one month, we identified more than 400 cases in which DHS paid claims for personal care assistants who allegedly worked more than 24 hours in a day. There were also 152 cases in which caregivers reportedly worked consecutive 24-hour workdays. DHS's failure to prevent payment of these improper claims raises questions about its ability to detect less obvious problems.

There has been limited state review of provider agencies.

In addition, PCA agencies have often provided services without the documentation required by the state for reimbursement. During on-site reviews of PCA agencies' records, we were unable to fully reconcile paid claims and timesheets for 23 percent of a sample of recipients. Also, 26 percent of a sample of recipient files did not have up-to-date care plans for the period of services we reviewed, and 28 percent lacked a current statement attesting to the recipient's medical need for services.

To help foster better compliance, DHS implemented a voluntary, three-day training program in January 2008 for key PCA agency staff. Through 2008, 31 percent of personal care provider agencies have had at least one staff person complete the training. We recommend that the Legislature mandate completion of this training by all PCA agencies. Also, clearer state policies about which PCA services will be covered by the state might improve agency compliance.

The state has not taken sufficient steps to ensure high quality services and protect vulnerable recipients.

The state has conducted one statewide survey of PCA recipients (in 2003). That survey indicated that most recipients rated their services as "excellent" or "good," and current recipients told us about the importance of PCA services in helping them lead fuller lives.

DHS has been working to develop a quality assurance system for a broad range of community-based services (including PCA), but it never completed a PCA quality assurance plan required by the Legislature in 2001. Despite the state's large investment in PCA services, there is little information on service outcomes or cost-effectiveness.

DHS started conducting quality assurance reviews of PCA agencies in 2006. But this program has had limited impact, due partly to inadequate staffing. Nearly all quality assurance reviews have been initiated by complaints, leaving little time for potentially valuable reviews of randomly selected agencies. Also, we saw little evidence of follow-up by quality assurance staff after initial reviews, contrary to DHS policy.

Ongoing supervision is another way to help ensure the quality of PCA services. Currently, Minnesota statutes have contradictory provisions about whether PCA services must be subject to

Many personal care assistants lack sufficient supervision by professionals.

professional supervision. In practice, however, DHS allows recipients to forgo this type of supervision. In fiscal year 2007, 22 percent of recipients had no paid supervision. Among recipients with paid supervision, one-third received an average of 30 minutes or less of paid supervision per month. In our view, supervision not only helps ensure that recipients are being well served but also provides accountability to the state. Thus, we recommend amending statutes to ensure that all Medical Assistance State Plan recipients have their PCA services professionally supervised.

There has been longstanding discussion about whether PCA agencies should be licensed by the state. In our view, implementing effective quality assurance reviews and supervision (in combination with some other recommendations in this report) would be a better use of scarce resources than requiring PCA agency licensure at this time.

State law's designation of which state and local agencies are responsible for

investigating maltreatment allegations involving PCA agencies is overly complicated. We recommend that DHS be given sole responsibility to investigate allegations involving unlicensed agencies. Also, DHS should ensure that recipients have clearer information about whom to contact about maltreatment or other service-related concerns. Furthermore, many PCA agencies have not developed individual abuse prevention plans for adult recipients, contrary to statutory requirements, and DHS should monitor this.

Finally, many personal care assistants have minimal training and excessive work hours. Statutes do not require formal training for personal care assistants. We recommend that DHS more clearly define which topics must be addressed by PCA agencies and service recipients in their caregiver training. In addition, we found that about 25 percent of personal care assistant workweeks exceeded 40 hours, raising questions about the quality of care provided.

Summary of Agency Response

In a letter dated January 9, 2009, Department of Human Services Commissioner Cal Ludeman said: "We support the key recommendations of the report, which are consistent with our current goals and objectives." He said the department is already implementing some of the recommendations, while others will be proposed to the 2009 Legislature.

Commissioner Ludeman expressed concern about the recommendation to give DHS responsibility for investigating maltreatment reports involving unlicensed personal care provider agencies. He said the Department of Health is responsible for investigations involving licensed home care providers, and "consolidating both the responsibility for investigating alleged maltreatment and enforcing the Home Care Bill of Rights with one agency would be more effective and efficient."

The full evaluation report, *Personal Care Assistance*, is available at 651-296-4708 or:
www.auditor.leg.state.mn.us/ped/2009/pca.htm