



North Carolina Department of Health and Human Services  
Division of Aging and Adult Services

Pat McCrory  
Governor

Aldona Z. Wos, M.D.  
Ambassador (Ret.)  
Secretary DHHS

Dennis Streets  
Division Director

DAAS Administrative Letter No. 13-17

To: Area Agency on Aging Directors  
DSS Directors  
DSS Adult Services Supervisors

From: Dennis W. Streets, Division Director

Subject: Revisions to the Monitoring Tool and Process of the In-Home Aide Program

Date: August 28, 2013

The provision of In-Home Aide (IHA) services is vital to persons with functional impairments. It is a service area with a large and growing wait list and one to which significant public funds are allocated. The Division of Aging and Adult Services (DAAS) is committed to assuring good stewardship of these funds and to providing quality In-Home Aide services throughout the state.

DAAS has made revisions to the In-Home Aide monitoring tool (<http://www.ncdhhs.gov/aging/monitor/mtools.htm>) and the monitoring process. The revised tool and process will go into effect immediately for all Area Agencies on Aging (AAAs) and local aging service agencies and their subcontract providers receiving funds under the Home and Community Care Block Grant (HCCBG). This includes County Departments of Social Services (DSSs) funded by the HCCBG. Administrative letter 12-08 gave AAAs the responsibility for the required monitoring of service delivery funded by HCCBG, when allocated to County DSSs. In addition the AAAs have continued to monitor all other providers in their network funded by HCCBG.

Each AAA will monitor providers according to Exhibit 14 of its area plan and follow the policies referenced in revised Section 308.3 of the AAA Policies and Procedures Manual (<http://www.ncdhhs.gov/aging/monitor/mpolicy.htm>). In regard to services provided by the Social Services Block Grant (SSBG) or the State In-Home Fund, all current guidance issued in Administrative Letter 09-19 will continue without change. In regard to services supported by the SSBG or the State In-Home Fund, Administrative Letter 09-19 continues to apply only to the monitoring of services provided to adults age 18 and older and not to the monitoring of services for children.

**Background and Rationale**

We have revised this monitoring process for several reasons. The current monitoring tool and process have been used by the AAAs since the 2009-2010 monitoring cycle and ongoing feedback from the field has been considered by DAAS staff. Suggestions made by the AAA staff have been beneficial in terms of updating the tools to meet the needs of the monitoring teams. DAAS and a task force from the AAAs met recently and reviewed the monitoring tool and client record review. The input from this group provided the basis for the revised policies being implemented with this administrative letter. Based on our experience since 2009, we have determined that the in-depth monitoring tool and process have helped AAAs safeguard the needs of the in-home aide clients and assure good stewardship of the HCCBG funds.

[www.ncdhhs.gov](http://www.ncdhhs.gov) • [www.ncdhhs.gov/aging](http://www.ncdhhs.gov/aging)

Tel 919-855-3400 • Fax 919-733-0443

Location: Taylor Hall, 693 Palmer Drive • Raleigh, NC 27603

Mailing Address: 2101 Mail Service Center • Raleigh, NC 27699-2101

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Additional feedback from the AAA monitors demonstrated the need for DAAS to have continued support from the State Division of Health Services Regulation (DHSR). In June 2013 a Memorandum of Agreement (MOA) was reached between DAAS and DHSR. This administrative letter introduces this MOA's protocol for use by AAAs to address non-compliant findings regarding licensure requirements during monitoring visits or when there are non-compliant issues at any time. Adequate oversight of this service area is increasingly important given the vulnerable population served and the limited funding available relative to the growing service needs.

#### Overview of Revisions in the In-Home Aide Monitoring Tool

DAAS's monitoring process will continue to require AAAs and DAAS staff to assure that providers are meeting all of the administrative requirements for the delivery of In-Home Aide services detailed in the applicable rules related to the HCCBG (10A NCAC 13J, 10A NCAC 6A). All agencies providing In-Home Aide personal care must also be compliant with rules related to having policies for all program administration as directed by the State's home care licensure rules (10A NCAC 13J). Areas of this review include:

- Verification /documentation of written policies and procedures for the administration of the service;
- Comprehensive review of the client record;
- Documentation of aide training and competency to provide care as assigned;
- Documentation of appropriate supervisory contact;
- Oversight of subcontracted responsibilities (please reference revised Section 308 AAA Policies and Procedure Manual for contractual language that can be used to assure needed information is received from the subcontracted provider on an annual basis to be available at the monitoring location for the comprehensive review by the monitors); and
- Compliance with subcontract monitoring requirements in revised Section 308.2 G "Subcontractor Monitoring by AAAs", choosing one of the Subcontractor Monitoring Methods to monitor each subcontractor.

#### Overview of Monitoring Responsibilities

The monitoring process will continue to include a programmatic review (monitoring for compliance with basic service standards) of all In-Home Aide providers using HCCBG funds, on an as needed basis, but at least every three (3) years. The AAA staff will monitor all providers other than DSS agencies based on assigned risk of each provider (Section 308 2E of the AAA Policy and Procedures Manual).

The AAA staff will monitor DSS agencies following the guidance in the Administrative Letter 12-08 for HCCBG funded In-Home Aide services. Administrative Letter 12-08 provided for a "phased approach" to ease the burden on AAAs and county DSSs, by following the existing monitoring schedule for DSSs (as set by the DAAS Program Compliance Representatives from SFY 2013 through SFY 2015). During this time frame AAAs will not use the risk designation for DSSs when determining the frequency of their monitoring visits. This time frame for implementation (from SFY 2013 through SFY 2105) will allow every county DSS funded by HCCBG to be monitored at least once during the period and to undertake any necessary follow-up with the technical assistance of AAA staff.

Starting in SFY 2015 (July 1, 2015), AAA staff will monitor DSS agencies providing IHA services with HCCBG funds on a risk-based approach using established written criteria. AAA staff will monitor DSSs based on assigned risk of each provider consistent with revised Section 308 2 E of the AAA Policies and Procedures Manual.

The monitoring process for all providers will include a client record review of ten (10) client records or 10 percent of the total client caseload (agencies with less than 10 clients will have all records reviewed). Per this revised In-Home Aide monitoring policy, if an agency has 251 clients or more, the monitor may choose to review 7-10 percent of the client caseload and a lesser percentage based on a larger sample size for 501 clients or more. (See Section 308.2 B in the AAA Policies and Procedures Manual for sample reference chart).

Unit Verification of HCCBG reimbursements (review of source information documenting specific hours of service and records documenting client eligibility to receive services) is also to be conducted as needed, using assigned risk, but at least every other year. The schedule for programmatic monitoring and unit verification is to be reflected on Exhibit 14 of the AAA Area Plan. This change in the minimum requirement for conducting unit verifications from three years to every other year means that all AAAs will need to review and amend their Exhibit 14 Provider Monitoring Plan, as appropriate. Unit verifications may be conducted more frequently as a best practice or whenever needed, but at a minimum in home-aide services must have a unit verification done every other year. This change makes unit verification for the IHA service consistent with that used for all other HCCBG funded services. The primary reason for using a risk-based approach for unit verification is to assure efficiencies in the use of limited staff resources while focusing attention where most needed.

The revised monitoring process will require a random sample of applicable client records for all providers including the DSSs. This change in the current monitoring process is in keeping with the HCCBG standards for monitoring and is aligned with the Home Care Licensure rules to assure that all records reviewed are done by random sampling at the time of the on-site visit. Based on the assigned risk of an agency, monitors will have the option to request additional client records for review during the monitoring visit. General guidance on the risk-based approach is found in revised Section 308 2 E of the AAA Policy and Procedures Manual. This document is available at the following link: <http://www.ncdhhs.gov/aging/monitor/mpolicy.htm>. Please note that Section 308 was revised with Administrative Letter 13-15. DSS agencies will not be on the risk-based approach referenced above until July 1, 2015 but monitors will have the option to request additional records needed for review based on patterns of non-compliance as needed.

The AAA monitoring staff will begin using the new tool immediately for service providers for SFY 2013-2014.

The revised monitoring tool is available in three formats for your convenience. Attached is the electronic version that provides the Program Administration component in an interactive Word format and allows the monitor to complete the Program Administration tool using a laptop on-site. The Client Record Review is in a Microsoft Excel File that allows up to 40 client records to be reviewed by tabbing to each record number. The second format allows the monitor to print the Program Administration component for use as a hard copy and to print the two-page Client Record Review for each record to be reviewed. The third format provides the option of having one 30 page Word document for all client records (up to 40 clients).

The Client Record Review component of the In-Home Aide monitoring tool should be completed prior to completing the Program Administration component for ease in transferring needed information located in the client record to the Program Administration component. If using the electronic version, the compliance summary for the client records reviewed will be automatically tallied for the monitor. Please note that there has been no change to the content of the Consumer Contribution component of the monitoring tool, but it is relocated to the Client Record Review component in the revised monitoring tool.

**To use the electronic format of the tool, the AAA will need to assure that all documents on the laptop are secured against unauthorized disclosure and use via its security policy.**

The monitoring tool and instructions are on the DAAS website at: <http://www.ncdhhs.gov/aging/monitor/pmtools.htm>. Instructions for use of the tool include a list of documents that provider agencies will need to have available for the monitoring visit.

#### MOA with DAAS/DHSR

The Division of Aging and Adult Services (DAAS) and the Division of Health Services Regulation (DHSR) entered into an Intra-Departmental Memorandum of Agreement (MOA) effective June 25, 2013.

**Purpose:** The purpose of this memorandum is to formalize coordination between the two divisions regarding the monitoring of providers of In-Home Aide services receiving HCCBG funding. Both divisions monitor this service, with DAAS focusing on compliance with HCCBG funding requirements and DHSR for licensing. This memorandum outlines coordination of these responsibilities and clarifies roles.

**Process:** DAAS has the responsibility to assure that providers receiving HCCBG funding for In-Home Aide services are monitored for compliance with all state and federal regulations. Area Agencies on Aging (AAAs) monitor for this compliance on behalf of DAAS as it relates to funding. DHSR is the state agency responsible for licensing home care agencies and ensuring they are compliant with licensure statutes, regulations, rules and administrative policies. This MOA establishes joint collaboration of survey functions.

The DAAS point of contact will screen and review all potential licensure violations reported by the AAA monitoring staff and forward them to DHSR's point of contact. DHSR will include HCCBG funded clients in their monitoring sample for routine licensure visits. DHSR will accept reports of findings from DAAS involving potential licensure violations that result from monitoring conducted by AAA and/or DAAS staff. DHSR will review monitoring reports related to licensure violations from DAAS. Upon completion of the review and/or disposition of the compliance issue, DHSR will communicate status and disclosable information to DAAS. If during the DHSR survey, the DHSR staff discover or determine that information or facts indicate potential funding irregularity with an HCCBG recipient, the provider agency will be referred to DAAS for follow-up. DAAS shall notify DHSR in writing once the referral is handled.

Please remember that these revisions in the monitoring process relate to routine oversight and do not negate the need for monitors to examine any service-related problems that arise between scheduled monitoring visits. DAAS appreciates your efforts to assure the quality of client services and the proper use of public funds. Please contact Donna White ([Donna.White@dhhs.nc.gov](mailto:Donna.White@dhhs.nc.gov)) or [Glenda.Artis@dhhs.nc.gov](mailto:Glenda.Artis@dhhs.nc.gov), for assistance.

Dw

CC: DAAS

Attachments (3)