

Report in Brief

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U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL



Why OIG Did This Audit

We have performed audits in multiple States in response to a congressional request concerning deaths and abuse of residents with developmental disabilities in group homes. Federal waivers permit States to furnish an array of home and community-based services to Medicaid beneficiaries with developmental disabilities so that they may live in community settings and avoid institutionalization. The Centers for Medicare & Medicaid Services (CMS) requires States to implement a critical incident reporting system to protect the health and welfare of Medicaid beneficiaries receiving waiver services.

Our objective was to determine whether California complied with Federal Medicaid waiver and State requirements for reporting and monitoring critical incidents involving Medicaid beneficiaries with developmental disabilities who resided in Community Care Facilities (CCFs) from July through December 2017.

How OIG Did This Audit

To determine whether there were unreported critical incidents, we judgmentally selected a sample of 100 medical claims for beneficiaries with developmental disabilities residing in CCFs that included diagnosis codes associated with a high likelihood that a critical incident had occurred. For these claims, we reviewed supporting medical records and regional center documentation, if applicable. We also reviewed 105 critical incidents contained in California's reporting system.

California Did Not Fully Comply With Federal and State Requirements for Reporting and Monitoring Critical Incidents Involving Medicaid Beneficiaries With Developmental Disabilities

What OIG Found

California did not fully comply with Federal Medicaid waiver and State requirements for reporting and monitoring critical incidents involving Medicaid beneficiaries with developmental disabilities who resided in CCFs. Specifically, California did not ensure that: (1) all critical incidents were reported and (2) all reported critical incidents were reported in a timely manner and followed up on completely to ensure beneficiaries' health and safety. In addition, California did not ensure that reported critical incidents involving the death of a beneficiary were properly reviewed.

California provided various reasons that providers and regional centers (contracted by the State to provide a wide range of services for individuals with developmental disabilities) did not properly report some critical incidents, as well as reasons that reported critical incidents were not always reported in a timely manner and followed up on completely. Because California did not fully comply with Federal and State requirements for reporting and monitoring critical incidents, it did not ensure compliance with safeguard assurances it provided to CMS in the Federal Medicaid waiver, which could impact the health and safety of Medicaid beneficiaries.

What OIG Recommends and California Comments

We recommend that California: (1) provide additional guidance to providers, such as a standard reporting form that includes the types of incidents that are required to be reported, and provide additional training to providers on critical incident identification and reporting; (2) provide additional guidance and training to regional centers for identifying the types of incidents that are required to be reported; (3) perform additional analytical procedures, such as data matches, to identify potential critical incidents that have not been reported and follow up on them as required; (4) improve oversight to ensure that timeliness and followup requirements related to reported critical incidents are met; and (5) ensure that reported critical incidents involving the death of a beneficiary are reviewed by a mortality review committee as appropriate.

California agreed with our first four recommendations, partially agreed with our fifth recommendation (which we revised), and described corrective actions it had taken or planned to take, including providing technical support and training to regional centers and performing additional analysis.