

Cabinet Agencies' Performance Audit Action Item(s) & Status

**Improving payment systems and monitoring necessary to prevent errors and improve safety
Developmental Disabilities Administration**

(See also [cabinet agency response](#) for full context to Washington State Auditor's Office (SAO) [report](#), July 2013)

Agencies included in the performance audit: Department of Social and Health Services

SAO Issues Summary:

1. The Department ensure staff follow the improved procedures for:
 - o Electronic review and approval process for daily client payment rates
 - o Updating client payment rates and closing out old payment authorizations
 - o Reviewing the DDA duplicate payment report and taking actions to stop duplicate payments
2. Department's residential care service inspectors check businesses employment records against a report of caregivers with disqualifying background checks as part of its two-year recertification inspection.
3. Strengthen monitoring of businesses' payroll records by creating a procedure for reconciling paid service hours to businesses' payroll records to ensure they support invoices for payments.

The table below shows the current status of action items the agency initiated to address issues identified in the performance audit report. Please see the [cabinet agency response](#) for additional context and any additional steps already taken.

For an explanation of the columns below, [see the legend](#).

Issue	Status	Action Steps	Lead Agency	Due Date	Current Resources?	Budget Impact?	Legislation Required?	Notes
1	Completed	Implement electronic rate approval system	DSHS	N/A				June 2013, prior to the SAO publishing their performance audit.
1	Complete	Incorporate rate and payments into a single electronic system	DSHS	2014				ProviderOne Phase 2 is now scheduled for implementation in November 2014.
1	Complete	Establish process for regular review of duplicate payments and training for billing providers on duplicate payment avoidance	DSHS	12/2014				Quarterly SSPS payment reconciliations to identify duplicate payments were planned however because of significant time needed for analysis we anticipate starting semiannual reconciliations, beginning with the last 6 months of calendar year 2014.
2	Complete	Establish ongoing training plan for all residential providers on	DSHS	N/A				Action plan completed prior to SAO publishing their report. This is an ongoing

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		accuracy and timeliness of background checks						activity during quarterly meetings.
2	Complete	Establish process for auditing residential agencies on background check requirements	DSHS	N/A				Action completed prior to SAO publishing their report. This is an ongoing activity monthly.
2	Complete	Train all residential providers on the updated policy for additional background checks	DSHS	10/2013				
3	Complete	Develop a plan to conduct additional and ongoing audits of contracted agencies' payroll records	DSHS	Early 2014				The additional employee detail for this step will be available with the new schedules starting with the 2014 cost report, the 2014 cost report will not be submitted for review until April-May, 2015.