



North Central Texas Council of Governments

July 25, 2022

Ms. Katina Prescott
Project Director - Child Care
Equus Workforce Solutions for North Central Texas
Child Care Services
5800 N. I-35 Service Rd Unit 100
Denton, TX 76207

Dear Ms. Prescott:

NCTCOG completed its second FY2022 review of the Contract # FY22-TWC-01, between Equus and NCTCOG, for the provision of Child Care Services for Workforce Solutions for North Central Texas.

The attached final report details the scope of the monitoring and includes your Management response to address the repeat finding. The improper payment for this report in the amount of \$1,828.80 was received and the individual error corrections on case files and Management response are now resolved as outlined in the final responses and supporting documents uploaded to SharePoint with one exception: a reimbursement owed to one customer which Equus has agreed to supply the proof of payment once that payment has been made.

We appreciate your cooperation in providing us with the necessary data to finalize the review. If you have any questions, please contact Debra Kosarek (7179), Debra Reyna (7473), Kathy Oleszkowicz (7262) or Nicole Nelson (7183).

Sincerely,

Phedra Redifer
Executive Director of Workforce Development

Cc: Moneisa Downs
Lisa Boyd
Mark Douglass
Carlton Tidwell, Oversight and Accountability Committee

SharePoint URL: <http://connect/extranet/WD/Rescare/SitePages/Home.aspx>.



FY2022 NCTCOG Child Care Services Review 2 Final Report

For

Equus Workforce Services

Contract FY22-TWC-01

July 25, 2022

Prepared by

Workforce Development Compliance and Continuous Improvement

North Central Texas Council of Governments

Workforce Solutions for North Central Texas

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Glossary of Acronyms

ADR	Alternative Dispute Resolution (for Appeal cases)
CCI	Compliance and Continuous Improvement (formerly QA - NCTCOG)
CCS	Child Care Services
CSM	Customer Satisfaction Meeting
COVID	Coronavirus Disease
DFPS	Department of Family and Protective Services
DOL	Department of Labor
ELP	Early Learning Program (formerly Child Care Provider)
Equus	Equus Workforce Solutions (formerly ResCare Workforce Services)
EW	Essential Workers (COVID)
Form 2450	Authorization for Child Care Enrollment
Form 2050	Eligibility Certification for Child Care Services
Form 2054	Child Protective Services Service Authorization - 2054
HHSC	Health and Human Services
MS	Microsoft
NCTCOG	North Central Texas Council of Governments
NCTWDB	North Central Texas Workforce Development Board
PIRTS	Program Integrity Reporting Tracking System
PSOC	Parent Share of Cost
QA	Quality Assurance
QC	Quality Control (Equus staff)
R&C	Risk and Compliance (NCTCOG Fiscal Monitors)
SIA	Service Improvement Agreements
SMI	State Median Income
TWC	Texas Workforce Commission
TWIST	The Workforce Information System of Texas
UI	Unemployment Insurance
WD	Workforce Development
WSNCT	Workforce Solutions for North Central Texas

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Workforce Solutions for North Central Texas
FY2022 NCTCOG Child Care Services Review 2 Final Report
for
Equus Workforce Services
North Central Texas Child Care Services Contract - # FY22-TWC-01

BACKGROUND

Equus Workforce Services was awarded the contract with the North Central Texas Workforce Board area, following the adoption of a resolution by the North Central Texas Workforce Board of Directors at the May 19, 2020, Board meeting. This resolution endorsed Equus Workforce Services as the provider for the delivery of Child Care Services to include appropriate contractual sanctions and/or remedies to ensure Equus Workforce Services meets all established performance measures and provides services consistent with the policy principles of the Workforce Board. The contract contains options for renewal. After a brief period of negotiations, The North Central Texas Council of Governments and Equus renewed the contract and executed a new one-year contract for the period of October 1, 2021 through September 30, 2022.

RISK

The NCTCOG risk assessment continues to identify the highest areas of risk for Child Care Services as:

- Data Integrity
- Data Security
- Customer Service

Equus' control risks remain high until such time as Equus meets the performance and accuracy standards as set out the profit matrix accompanying the contract year. Additional identified risk exists due to:

- The high rates of turnover in Subrecipient staff.
- Insufficient evaluation methods to measure the effectiveness of both Equus' staff training and process changes made.
- The changes occurring due to the COVID-19 pandemic including new funding, requiring new processes or process changes, and staffing shortages.

OBJECTIVE

NCTCOG conducts program and fiscal monitoring as required by TWC to provide:

- Information to the Child Care Services operator for implementing timely corrective actions to meet requirements and performance measures as contracted.

- Assurance to TWC that workforce services programs are compliant with regulations and policies so TWC may rely on system data for their reports to federal partners.
- Sufficiently detailed information to the North Central Texas Workforce Board to fulfill their oversight responsibilities.
- Assurance to the public and participants that quality and compliant services are being equitably delivered throughout the Workforce Solutions for North Central Texas area.
- Verification of the accuracy of payments made to providers.

SCOPE

This monitoring review used random and judgmental samples to focus on Data Integrity, Data Security and Customer Service processes, including reviews of:

- Scholarship program redeterminations, new applications, and denials eligibility
- DFPS processing review
- New ELP (Early Learning Program)
- Appeal reversal review
- Appeal packets review
- Billing review

METHODOLOGY

Desk reviews were conducted from The Workforce Information System of Texas (TWIST), Laserfiche reports, and data found in the Laserfiche file management systems. Samples were selected from TWIST and Laserfiche reports. In addition, the NCTCOG SharePoint Appeal Log was used in the Appeal packet review, and the Equus Provider Services Master Tracking Sheet was used for the New Provider Review, to select samples.

OVERVIEW OF RESULTS

Scholarship Program Redeterminations, New Applications and Denials Eligibility Review

A full eligibility review was conducted using a random sample of 38 new applications, redeterminations, and denied cases completed in February, 2022. The overall accuracy rate was **82.37%** for all elements combined which was a decrease from the 89% last cycle.

For the Redetermination, New Application and Denial Eligibility Reviews, repeat findings included:

- The accuracy rate for timely notification of eligibility was 22.58% (previously 36.36%).
- Untimely processing errors resulted in multiple families from this sample losing child care, sometimes for over a month due to failure to notify Early Learning Providers (ELP) to extend all referrals due to late processing.
- Staff backdated eligibility start dates after extensions for untimely processing, resulting in the following errors for some customers:
 - 1) Data validation error of Eligibility Certification for Child Care Services (Form 2050) not matching TWIST Counselor note start dates;
 - 2) As previously instructed by Equus, many ELPs ended care for children on the 12-month Authorization for Child Care Enrollment (Form 2450) end date, without a 15-day denial notice that care was ending sent by Equus;
 - 3) Less than 12-month referrals given in the new eligibility period due to backdating referrals;

4) Improper payments to providers who received payments for children whose care had ended during part of the time (note: providers cannot refuse children and end care and then be paid for the time the children were not at the ELP); and

5) Some parents lost care while others were required by the ELP to pay out of pocket. For parents that paid out of pocket, reimbursement is owed for care paid during the delays to avoid a double payment to the ELP.

- Sending denials for documents that were already in the case files and failing to send redetermination paperwork timely.
- Mislabelled documents in Laserfiche case file and failing to document all actions taken.
- Income and hourly calculation errors, some of which resulted in improper payments.
- Inconsistencies in processing and denial of cases.
- Absences not being documented in the TWIST Counselor notes until 2-3 months later.
- Failing to end voluntary withdrawal of one child on time resulting in an improper payment.

New errors included:

- Denial of one eligible customer due to misreading the current school transcript for Spring 2022.
- Care ended for one eligible customer who was then sent for fraud/fact-finding for an allowable fluctuation in income. Care needs to be restored for this customer.
- Parent indicated their child needed one on one care but no Equus staff followed up on the request.
- One spouse in the household was told he needed permission to speak from his wife, but no permission is needed for a married spouse living in the household for this program.
- A parent that was not working in the allowable eligibility and extension period was told they could:
 1. possibly be given job search time, which is not allowed at redetermination,
 2. start using Metrix to meet hours, but this was after the date they needed to be meeting hours, so this would not help this customer retain child care since it was too late, and
 3. send in an Employment Verification Form for a new job they had not started and that started after the maximum eligibility extension date allowed by rule at redetermination.

Positive notes:

- Several caseworkers used 6 consecutive paystubs without unnecessarily requiring more.
- Processing of denials had a timeliness accuracy rate of 97%.

DFPS review

A sample of 15 DFPS referrals processed in Laserfiche reviewed from between March 1, 2022 through March 31, 2022. The overall accuracy rate was 82.22%, with timeliness at 80% and accuracy at 83.33%. The errors found regarding timeliness and data integrity included:

- 4 cases were not processed timely (within the required 3 business days).
- In 4 cases, the TWIST eligibility start dates were different than the start dates indicated on the DFPS Form 2054 (Service Authorization – 2054) and there was no follow up with DFPS.
- 1 case indicated an incorrect DOB for the child in TWIST (compared to the DOB on the Form 2054).
- An Observation was noted for lack of TWIST Counselor notes when a child's status changed (Outside of Scope of this review).

- An Observation was noted for lack of TWIST Counselor notes indicating why the end care date in TWIST was different than indicated on the *Early Termination Report*. (Outside of Scope of this review).

New ELP (Child Care Provider) Review

A sample of 10 New Provider's added to Laserfiche from between April 1, 2022 through April 30, 2022 was reviewed during this cycle. The overall accuracy rate for this review was 90.57%, with timeliness at 100% and accuracy at 89.58%. The errors found included:

- Discrepancies in rate calculations.
- Discrepancies with how certain information was obtained, such as the ELP's mailing address or phone number.
- Observations rather than Findings were made for not obtaining 9 paid holidays from the ELP.
- An Observation was made regarding why the licensed capacity is noted as 76 on the Provider Permit, but the THHS print-out indicates capacity as 128. Also, the document states it is a Permit, not License. Follow-up with the ELP or other Board area is recommended to obtain a more recent license.
- Note only: There was one instance of an incorrectly labeled document in Laserfiche.
- Positive notes: CCS parents cannot be charged the difference in an ELP's published rate versus the reimbursement rate agreed upon with WSNCT. Staff discovered that one ELP asked CCS parents to pay the difference in the rate and required this wording be removed from ELP's published rates, since this is not allowed. Additionally, 6 out of 12 applicable elements had 100% accuracy rates, including timeliness in processing the new ELP's.

Appeal Reversal Review

A slant, random 30% sample of appeals reversed by either Equus or NCTCOG from October 1, 2021 through February 1, 2022 were reviewed. The overall accuracy rate was 68.60%. Errors found included:

- The timeliness of processing rate was 50%. This included a 47.01% Equus QC timeliness delay in processing reversals.
- The accuracy of processing (excluding timeliness) was 79.25%.
- There were several cases where customer's care needed to be restored, and Equus management was notified of each by email: QC marked an incomplete work item as complete, another where a customer was denied a NCTCOG Appeal Hearing (care should be restored and/or Hearing goes forward), and another where care had still not been restored after the Appeal Hearing decision letter reversal.
- Equus QC requested unnecessary documents prior to reversal, thus delaying the process. Appeal reversals should follow a separate process from both 1) processing an update that occurs after the original eligibility denial date and 2) sending to fraud/fact-finding if suspected fraud occurs.
- Caseworker sent denial instead of processing the reversal, caseworker cannot override the reversal. Customer was eligible for 3 months job search time.
- Equus QC/caseworker used paystubs beyond the redetermination date to calculate income.
- Appeal not extended for the entire time in appeal, so the child care ended prior to reversal

- processing.
- Appeal (reversal) decision letter not uploaded into customer's case file.
- Incorrect income/hours interval used in calculations (monthly versus weekly input on calculator).

Positive Notes:

1. Most of the caseworkers sent the reversals to QC within 1-2 days.
2. At least 2 caseworkers document calculating income for a missing paystub to not further delay the customer's eligibility determination.

Appeal Packet Review

A slant, random sample of 10 appeal packets uploaded to NCTCOG's SharePoint site received from January 15 through April 30 was conducted. The overall accuracy rate was 76.53%.

Errors found included:

- The timeliness accuracy rate on ADR (Alternative Dispute Resolution) calls dropped from 70% to 55.56%. Untimely ADR calls is a repeat finding.
- Appeal packet upload times increased to up to 4 months. To be compliant with rule, a decision letter must be sent no later than 60 days. Appeals uploaded timely to SharePoint dropped from 100% to 60%.
- Non-appeal staff errors contributed to most of the accuracy errors found, with accuracy for all elements except timeliness being 82.19%. Caseworkers or QC staff requested documentation not needed or denied eligibility for information not required by rule.
- Reversal decisions are being disputed in TWIST Counselor notes. If Equus disagrees with a NCTCOG reversal and believes a customer is ineligible, Equus should forward the Request for a TWC Hearing form for TWC to decide the outcome.
- TWIST counselor notes indicate caseworkers did not always read the decision letter, which led to incorrect documentation in TWIST of the reason for reversal. This could also lead to incorrectly processing the reversal decision.
- Appeal Hearings are held based solely on the items mentioned in the Hearing packets. When reversed, any eligibility criteria that was not mentioned in the Appeal Hearing packet as a reason for denial is still the responsibility of Equus' caseworker staff to review for eligibility, but this was not always done.
- Reversals not processed. If an eligible customer was reversed at the Appeal Hearing, then had a change in their circumstances, the reversal needs to be processed first.

Positive Notes:

1. The new Equus' Appeal staff added a concise explanation of why some Appeals were reversed. This may help caseworker staff understand the decision.
2. There were multiple CSM/ADR calls that reflected clear and concise explanations.

Billing Review

The review period was February - May 2022. From the sample of 10 families taken from the Eligibility review, Fiscal Monitoring utilized the TWIST 245 Report to identify one child from each family. We validated TWIST 245 Report data for one payment made during FY2022 Cycle 2 attendance for each selected child by tracing through to the general ledger. No exceptions were noted.

CONCLUSION-GAP ANALYSIS

Untimely processing of cases remains the most serious area of concern for the eligibility review, as it caused multiple errors, rework, and inconvenience to the families in the North Central Texas area. Lack of proper processing and/or procedures resulted in some customers losing child care without proper notice. This violates parent's rights and the Child Care rules overarching theme of continuity of care for children. Additionally, some children were not given a full 12 months of care at their redeterminations due to staff improperly backdating the eligibility start date to a time when the children were no longer attending the ELP. This also resulted in: 1) funds paid to ELPs, then needing to be recouped from ELPs for the time the children were not attending, 2) a correction to the referrals and 3) correction of eligibility dates on forms and TWIST Counselor notes. The lack of timeliness in processing new applications and redeterminations has the potential to result in customers losing their child care or suffering hardship. Repeat errors indicate that previous corrective actions did not adequately address the underlying issues.

The DFPS review revealed that multiple DFPS cases were processed late (defined as beyond 3 business days). In most cases that were processed late, no new form 2054 (*Service Authorization- 2054*) was requested. Staff are required to contact DFPS when processing a referral late and this should also be documented in TWIST Counselor notes. Data integrity errors also occurred when the start date on the form 2054 and the start date of the eligibility referral in TWIST did not match. When this occurs, either a new form 2054 or an e-mail from DFPS is needed. These are repeat errors.

In the New ELP Review, gaps were found in rate calculations, including inconsistencies in averaging the ELP's published rates for various age groups. If there was reason for not averaging overlapping ages and rates, this should be documented. For instance, since TWIST indicates school age start at 5 years, not 6 (6-12 years is indicated on the Rate spreadsheet), some 5-year old's will be included as school age (in some instances, kindergartners start at 5). So, these rates would need to be averaged.

An Appeal reversal review was added for this review cycle and for the first time included Appeal reversals done by Equus staff. The following process gaps were identified:

- Failing to process reversals within 5 days was the biggest gap, with QC delaying time to reversal more so than caseworker staff.
- Staff and QC cannot override an administrative decision made in an Appeal Hearing.
- If an Appeal is reversed but there may be a reason to send the case for fact-finding, these are 2 separate processes, since Appeal Adjudicators are not the fraud investigators.
- If a reversal is determined by Equus' Appeal staff prior to a Hearing, if the caseworker or QC staff disagrees with their internal reversal, they must send the case for a Hearing to NCTCOG or send new denial and appeal paperwork, rather than end care. Otherwise, the customer is denied their Appeal rights by Equus, which is not allowed.

The Appeal packet review, once an area of strength, experienced a decline in timeliness and accuracy when 2 staff left during this review cycle. It is recommended that Equus implement a plan to replace exiting staff more efficiently and effectively, particularly in the higher-level, skilled jobs such as appeals, fraud, and training. Additionally, having backup staff that are familiar with these processes already trained and in place to step into these positions if vacated would smooth any future staff turnover and training issues. Minimally all staff, including caseworkers, should have their emails and calls forwarded for a period until a replacement is found so that customer calls and emails are not lost when staff leave. Customers lost care during the Appeal Hearing,

even when care was requested to continue, since the referrals were only extended the maximum 60 days, but Equus stopped processing Appeals for a time during staff loss and new staff training.

ISSUES POTENTIALLY AFFECTING PERFORMANCE MEASURES

To meet Performance Measures and processing deadlines required in rule, determining the root causes that slow or delay processing of cases by staff could not only save time but also improve overall performance without sacrificing quality. Some areas that may need process or procedural changes or staff training to improve performance from this review are:

- Late processing of documents creates more work which affects productivity. Faster processing times would increase performance measures and help meet performance targets.
- Customers lost child care, which could impact performance measures if a parent lost employment as a result, due to ELPs ended care without a 15-day notice because ELPs were not contacted to extend care by Equus. This affects continuity of care and bypasses the required 15-day notice to parents. As previously suggested, a proactive approach during times of delayed processing, such as notifying all ELPs that they are authorized to extend any 12-month redetermination form 2450 end date by up to the one month allowed by rule, would have eliminated most of the child care referrals ending at the 12-month end date
- Customers who needed child care restored were placed on a Customer Needs Log (CNL), instead of receiving immediate help from trained staff.
- Backdating eligibility for cases where child care had already ended at the ELP created improper payments to be recouped, adding to staff workload.
- Changes in staff during this cycle, without a plan in place for the previous staff's emails and voicemails to be checked, may have impacted parents who reported changes or submitted documents to previous staff's emails. Proper procedures to forward voicemails and emails to another staff would eliminate missing customer's documents and communications with CCS, affecting customers continuity of care, which can affect performance measures when child care ends for missing items.
- Care during an appeal was only extended for the maximum 60 days to issue a decision letter required by rule. However, some Appeals were not uploaded until 4 months from the receipt of the Appeal, which is out of compliance with Child Care rules in Chapter 823 of the Texas Administrative Code. As a result, customers who elected to continue child care during the Appeal lost care after the initial 60 day extension until the completion of their Appeal Hearing.

FINDINGS

Repeat Finding 1: A total of 170 data integrity and case management errors were identified out of 1007 elements reviewed. The errors, including improper payments to be calculated, are outlined in the attachments provided in SharePoint with the report.

Citations: WSNCT Administrative Policy IADM02-201601: Data Integrity

Staff shall enter all information into TWIST within five (5) business days from receipt of the data (Intake, Application, Service, Contact, etc.), or the state deadline (described in the Data Review/Correction Requirements section, item B), whichever comes first...

At a minimum, TWIST/Laserfiche counselor notes must include:

- All staff contacts with the customer;
- Attempted customer contacts;
- Contacts regarding the customer;
- Justification and documentation of services provided;
- Actual date of the contact;
- Service being reported;
- Staff name; and
- Required information for program related verification.

Equus Workforce Services, North Central Child Care Services Contract # FY22-TWC-01, Section 5: Contract Performance and Section 9 Reporting Requirements:

Section 5.3 The Sub recipient shall provide such services in compliance with all applicable federal and state laws, regulations, and rules.

Section 5.4 The Sub recipient shall comply with all Texas Workforce Commission (TWC) policies and procedures or guidance manuals, attached hereto or incorporated herein by specific reference and other Administrative Entity directives as issued. In the event of a conflict between such laws and regulations and the terms and conditions the Contract, precedence shall be given to the laws and regulations.

Section 9.3 The Sub recipient understands that it will be held liable for completeness, accuracy, and consistency of all data under its control.

Section 9.6 Failure to data input or to report in accordance with the terms of this Contract may result in withholding by the Administrative Entity of payments otherwise due or, it may result in financial sanctions to be imposed in accordance with the Administrative Entity's policies and procedures. Recurring failure to meet the terms and conditions for data input or reporting may result in the termination of this Contract.

Required Corrective Actions:

In addition to addressing the gaps identified during the review, the following corrective actions must be completed to resolve the Finding:

- Errors detailed in the attachments to the draft report uploaded to SharePoint must be corrected where possible and evidence of correction supplied with response to the report.
- For the Scholarship Program Eligibility review:
 1. All improper provider payments after ELP ended care to have eligibility dates and referrals corrected, along with recoupment of the overpayment. Exception: if Equus or ELP reimbursed the parents directly, versus a straight recoupment, these will need to have documentation to verify (receipts, copy of checks, etc.) as well as notes in TWIST for the parent's case to correct the double payment to the ELPs.
 2. Recommendation: the process for reporting the provider-reported 5 consecutive absences may also benefit from a review to determine why these are being recorded after the eligibility period they were accrued in to avoid future issues with allowing care for children that may have exceeded the allowable absence limits.
 3. The Income and PSOC letter shows last year's maximum income eligibility chart. This is a repeat finding from last year and last cycle. Please indicate the date this was corrected due to the last response showed who corrected this but not on what date. This error was not included in the error rates.

- For the New Provider review: It is recommended that staff receive individualized training on how to calculate rates, how to enter these into the rate worksheet and the importance of documenting actions taken. Additionally, a comment in TWIST or in the Provider Contact Log can often mean the difference between a fining and an observation when the reasoning can be followed.

- For the DFPS review:
 1. A correction to errors or documentation in TWIST Counselor notes, where applicable, will need to be completed. Equus staff can review DFPS processing steps and timelines found in section D-704 of the Child Care Guide.
 2. Missing forms or corrected forms from DFPS will need to be uploaded to Laserfiche.

- For the Appeal Reversal review:
 1. It is recommended that staff training be instituted to remind them on the necessity for processing Appeal reversals within 5 days.
 2. QC and caseworkers also need to know that if the decision is made at the NCTCOG or TWC level, then the reversal could only be Appealed to TWC, but it cannot be nullified out of hand by Equus. Training on how and when to Appeal a NCTCOG and TWC decision may need to be held.
 3. Finally, training on when an internal (Equus' Appeal staff) reversal was for one reason, but a new reason is found to end care after the reversal decision, this should be either sent to NCTCOG Appeals for a Hearing and/or a new 2052 and Appeal form should be sent for the new reason. This gives the customer a chance to appeal for the new reason. Otherwise, the customer is denied their right to Appeal, which is not allowed.

- For the Appeal Packet review:
 1. Outline steps taken to ensure appeal processing returns to 20-22 days to ensure compliance with rule. The latest a decision letter can be sent is 60 days.
 2. It is recommended that additional training is given to address the importance of ADR calls, considering the staff conducting these may be new.
 3. It is also recommended that all staff, including caseworker staff, read the Child Care rules. Many errors in denials from caseworkers appear to be a lack of understanding the Child Care Rules. Improved training could possibly minimize reversals and mitigate future errors for eligible cases sent to appeal on monitoring reviews.
 4. Recommend: retraining of caseworkers to: 1) look at all eligibility criteria when documentation is available prior to sending a denial, and list all the areas that customers are not meeting eligibility criteria, to cut down on multiple appeals and/or denials and 2) do a second review of eligibility following a reversal when a denial only listed one eligibility criteria as the sole reason for denial. In the case of a reversal, caseworkers must review all other eligibility criteria not mentioned in the original Appeal Hearing packet if not previously reviewed. A second denial would need to be sent if there were previously missed ineligibility criteria that were outside of the denial reason stated in the appeal.

5. To avoid errors, have caseworkers read the reversal decision letters prior to processing as they often contain important processing information, including conditions that need to be met to process correctly.
6. Training of staff on the flexibility to use the redetermination periods allowed (12 months or an extension to end of 13th month are both allowed by rule), whichever is best for the customer. This could also cut down on the number of appeals.

The total improper payment amount for this review cycle is to be calculated once all the information is obtained for the cases noted in all the Attachments. All supporting documentation, including calculations and timeframes, and a check for the appropriate amount, must be paid to NCTCOG from non-Federal Funds within 15 days of receipt of this draft report with the memo line indicating payment is for the *FY2022 NCTCOG Child Care 2 Report*.

Equus Management Response:

EQUUS Child Care Services continues to work diligently with staff to improve systems and processes for improved accuracy in the implementation of the program. Actions developed and described below to address the noted areas will continue to include ongoing coaching and training; both group and individually.

Staff accountability will be enforced as necessary to address trends of poor performance. For this monitoring report, staff have made corrections where possible and according to the child care guide, TWC guidance and/or local policies. Errors unable to be corrected due to timeliness, data entry error, or misinterpretation were addressed with staff. Supporting documentation has been included in the response uploaded to SharePoint.

Scholarship Program Redeterminations, New Applications and Denials Eligibility Review

For an extended period of time, Equus has continuously faced challenges with staffing. This has impacted the ability to meet the timeliness and accuracy benchmarks. Equus has been aggressive in efforts to staff up resulting in hiring 22 staff since April 2022. In addition, there are an additional 5 new hires planned to start by July 2022. Several of the new hires have previous experience in determining eligibility to some capacity, including direct experience determining eligibility for a childcare program in other states.

Being encouraged to condense the training plans, Equus recognized the risk for increased errors. Therefore, to be proactive, Equus has implemented an ongoing refresher training schedule and scenario-based knowledge checks. Equus understands the new hires will benefit from ongoing trainings even after released from training. The primary focuses for the refresher trainings include income calculations including PSOC reductions, bonuses, and self-employment, 3-month extensions, initial job search, proper counselor note documentation. In addition, we have increased the morning Eligibility Specialist huddles from 2 times a week to 3 times a week. During this time, Eligibility Specialist are allowed to ask specific questions related to a case they are working on. This allows the Leads and other Eligibility Specialists to come together to assist with addressing the raised questions and/or challenges.

Equus is eager to see improvement in performance and quality as we continue to backfill vacancies and provide ongoing trainings to the new hires.

PD verified the Income and PSOC letter shows accurate maximum income eligibility chart as recommended. This was verified 6/27/2022.

New ELP Review

A second training for calculating provider rates and how to use the worksheet correctly is scheduled for July 11, 2022. Training will also include documentation in TWIST. The Deputy Director will attend the training to ensure all required topics are covered and staff are provided sufficient training as well as the tools needed to improve quality.

DFPS Review

Staffing challenges has also contributed to the quality and timeliness of processing DFPS cases. Equus has recently hired additional staff who will be assigned to the DFPS specialized team. Formal training is scheduled for 7/11/2022. To ensure all staff processing DFPS cases are adequately trained, tenure staff will also be required to attend the training.

Appeals and Appeal Packet Review

The current staff responsible for appeals have successfully completed training. Equus has seen improvement with staff performance. Due to a temporary change in supervision, timeliness for ADR calls was impacted. To address this matter, all leaders participated in the efforts to get caught up on past due ADRs and ensured upcoming ADRs were completed within the allotted timeline. In the month of May, Equus has managed to complete the ADRs on time. To ensure there is back up in the instance of a change in staffing, the Deputy Director has been added as a second point of contact for ADR calls.

To improve the timeliness for the completion of reverse appeals, Equus has designated an Eligibility Specialist to process the case. When Equus is notified of a reverse case, the case will be assigned to the designated staff. Equus has also assigned a Lead Eligibility Specialist to serve as a backup. This change became effective June 24, 2022. Equus has a potential opportunity for support from a Missouri project assist with QC reviews. This would include appeal reversals. In addition, members of the leadership team will also assist with QC reviews. These efforts are to improve with the overall timeliness of QC reviews.

Appendix A

Child Care Review 2 Overall Summary Table (for All Elements by Review)

NOTE: This chart outlines the overall accuracy rate for each review completed for this quarter.

Area of Review	Area of Testing	Period Reviewed	Number of Records Reviewed	Number of Errors tied to Total Number of Applicable Elements Reviewed	Overall Accuracy Rate
Client Services	Customer Eligibility and Denial Review	February 2022 for Redeterminations, New Apps, Denials	38	102/582	82.47%
Client Services	DFPS Review	March 1 through March 31, 2022	15	8/45	82.22%
Provider Services	New ELP Review	April 1 through April 30, 2022	10	10/106	90.57%
Client Services	Appeal Reversal Review	October 1 through February 1, 2022	18	27/86	68.60%
Client Services	Appeal packet Review	January 1– May 15, 2022	10	23/98	76.53%
Provider Services	Billing Review	February - May 2022	10	0/90	100%
		Total	91	170/1007	83.12%

Child Care Review 2 Profit Matrix Performance Measures Target Summary Table

NOTE: This chart has been added by request for items monitored that pertain to the Profit Matrix for FY2022. Therefore, percentages differ from the overall accuracy rates in the first table, which does not separate the timeliness and accuracy elements, plus contains other areas reviewed that are not part of the profit matrix.

Performance Measure	FY22 Performance Target for Cycle 1 (October 2021 – January 2022)	Period reviewed	Number of records reviewed	Numerator = number of errors, Denominator=all elements reviewed	Quarter 1 results (% correct)
Timeliness					
Client Services (Eligibility)	>=85%	February 2022	38	33/85	61.18%
Appeals	>=90%	January 1- May 15	10	8/25	68.00%
Accuracy Rates					
Client Services (Customer Eligibility)	>=95%	February 2022	37	69/497	86.12%
Appeals (Application Packets)	>=98%	January 1- May 15	10	15/73	79.45%
Early Learning Programs (New Providers and Rate Agreements)	>=98%	April 2022	10	10/106	90.57%