



North Central Texas Council of Governments

March 16, 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 first 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 \$1,207.20 was received yesterday 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
Carlton Tidwell, Oversight and Accountability Committee



FY2022 NCTCOG Child Care Services Review 1 Final Report

For

Equus Workforce Services

Contract FY22-TWC-01

March 16, 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)
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)
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
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

North Central Texas Council of Governments
Workforce Solutions for North Central Texas
FY2022 NCTCOG Child Care Services Review 1 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 in a new 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 quarter's 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
- New ELP (Early Learning Program)
- *UI Early Warning* Report
- Appeal packets
- ELP (Provider) Rate Agreement

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, the Equus Provider Services Master Tracking Sheet was used for the New Provider Review, and the TWC Exception report entitled *UI Early Warning Report* was used to select samples.

OVERVIEW OF RESULTS

Scholarship Program Redeterminations, New Applications and Denials Eligibility Review

A full eligibility review was conducted using a 20% random sample of redetermination/denial cases completed November 1-23, 2021, as well as a sample of new application/denial cases processed from October 1 through November 30, 2021. The overall accuracy rate was **89.01%** for all timeliness and accuracy elements combined.

For the Redetermination, New Application and Denial Eligibility Reviews new errors included:

- Staff did not follow through on QC comments.
- Staff backdating of eligibility start dates after a one-month extension due to untimely processing resulted in some: shorter referrals in TWIST, form 2050 not matching TWIST Counselor note start dates, ELPs ending care for children, and less than 12-month referrals.
- Absences not being documented in the TWIST Counselor notes until 2-3 months later.
- An incorrect PSOC (Parent Share of Cost) when a 25% TRS (Texas Rising Star) reduction was given to a TSR (Texas School Ready), and one 25% reduction was not given for blended care children.

Repeat findings included:

- The accuracy rate for timely notification of eligibility was only 36.36%.
- Sending denials for documents that were already in the case files.
- Mislabeled documents.
- Failing to document all actions taken on cases.
- Income and hourly calculation errors.
- Inconsistencies in processing and denial of cases.

- Failing to end voluntary withdrawal on time resulting in an improper payment.
- In one case, the customer indicated Homeless status on the application, yet a PSOC was applied. It was not adequately documented that the customer was no longer Homeless. The PSOC will need to be reimbursed if the Customer is determined as Homeless status.

Positive notes:

- In a Priority Veteran case staff correctly requested the spouse's eligibility documentation.
- Best practice (aligns with TWC guidance): staff calculated the missing paystub income rather than requesting one paystub, thus speeding the eligibility determination process.

Timeliness issues remain the most serious concern. Extensions were granted to redeterminations due to late processing by Equus. Most ELPs were not notified or not notified timely, resulting in some customers losing child care while waiting for Equus to process their redeterminations and in 2 cases children were not given a full 12 months of care due to backdating the eligibility when the child was not in care. The lack of timeliness in processing new applications and redeterminations has the potential to result in customers losing their child care or jobs.

Repeat errors indicate that previous corrective actions did not adequately address the underlying issues. New errors, such as staff failing to follow QC directions and absences being recorded in TWIST Counselor notes up to 3 months late, will need to be reviewed and rectified to avoid future findings. Potentially, root cause analysis of errors could help Equus to correct the issues. Proper and timely documentation of all actions may often explain an action on a case that led to an error, and allow for an observation or note only, versus a finding.

On a final note, the *Income and Parent Share of Cost* letters sent in FY22 were not updated and show the FY21 maximum income table. This letter requires updating on October 1 each year as the maximum income for each family size changes each fiscal year on October 1. This is a repeat management error, so individual errors were not called on cases reviewed.

New ELP (Child Care Provider) Review

All new ELPs added from November 1 through 23, 2021 were reviewed. The overall accuracy rate for this review is **81.82%**. The errors include:

- No Babel notice on emails or vital documents not sent in Spanish (repeat finding). This review had a Spanish speaking provider that had difficulty filling out forms and communicating.
- Some Laserfiche files were missing either the license or the license checks, or both.
- Holidays not entered or not entered correctly.
- Rate errors on rate agreements. Agreements show higher rates than either the published rate (cannot pay more than they require from public, even if TRS) and/or rates do not match the TWIST entered rate. New finding of adding in 3-5 age group rates into the 6-12 age group and vice versa with no explanation, even when provider rates are charged by these specific age groups and TWIST pays by age.
- No notification of out of county Board area of increased rates, and data integrity mismatch due to higher published rates in file that do not match the old rates entered by managing Board area. ELPs are being paid much less than they could be with their updated rates.

Rate calculation errors were evident in this in this review. This type of error had previously appeared to be addressed. Rate errors could lead to either under or over payment for ELPs,

these errors must be determined and corrected. There was no communication or documentation of any discussion with out of county staff or ELPs whose out of county board area has out of date published rates. This leads to data validation errors between documented ELP published rates and the rates in TWIST and on Rate Agreements. Further, differences in rates input in the Rate Agreements versus TWIST, is another data validation error for the data not matching. Data validation errors can result in findings with TWC or other agencies. To date, there has not been an adequate solution provided by Equus to address these published rate data validation issues. Finally, no Babel notices is a repeat error. Babel notices are required in all communications and documents containing vital information as required by law.

UI Early Warning Report Review

In 2020, TWC suspended Exception reports. At the end of October 2021, TWC resumed the *UI Early Warning Report*. Outcomes reported by Equus for all customers on the November 17, 2021 *UI Early Warning Report* were reviewed. The overall accuracy rate was **85.71%**. There were multiple errors found including:

- One customer reported her child had not attended the WSNCT ELP since summer but attended another ELP not in WSNCT and she paid out of pocket (NCTCOG verified an October payment to the other provider in HSC documentation). No verification or correction was done by Equus. This improper payment to the WSNCT ELP needs recoupment or repayment by Equus. The case needs to be sent for fact-finding.
- A customer was denied restarting of her child care during her 3-month Activity Interruption period despite an active referral and the provider was being paid after reporting no PSOC paid to Equus. Since the child stopped attending, it is an improper payment to pay the provider during that time and deny the parent child care. The customer was eligible for zero PSOC at job loss but was never informed of this. As a result, the customer did not receive her 3 months Activity Interruption period as required in rule. The customer is entitled to receive her full 3 months of care to look for a job.
- A denial was processed late. Improper payment for 3 days of unauthorized care because Equus did not end care on the 3-month end date.
- A customer was given a 12-day instead of a 15-day notice to end care. Care needs to be extended by 3 days and improper payment on Equus for 3 days of care for late processing.
- Provider call documented but no referral entered in TWIST for one transfer of care. The provider cannot be paid without a referral in the system, this needs correcting.
- Emergency requests for transfers document placement on CNL (Customer Needs Log), with no follow up. This is a repeat finding.
- Provider reports of consecutive absences from August/September were not processed until November.
- An improper payment to be recouped due to late processing of provider reporting and could only correct to beginning of fiscal year, the rest is an improper payment on Equus.

Observation on process: verbal reports of starting new jobs had no Activity Interruption opened while waiting for proof. In several cases, no proof of work was received by the due date given to the parent and no further action was taken, with no explanation regarding how Equus will follow up on these cases without an open work item in which to track these.

Appeal Packet Review

A random sample of Appeal Hearing packets sent to the NCTCOG for an Appeal Hearing from October 1 through December 31, 2021, was conducted. A total of 10 Appeal packets were

reviewed. There were 5 errors out of 103 elements reviewed, for an overall accuracy rate of **95.15%**. Errors found included:

- The timeliness accuracy rate on ADR calls made was only 70%.
- Caseworker staff (not Appeal staff) did not help an LEP customer needing assistance filling out the Appeal form when asked. Another non-Appeal staff member assumed the customer could read Spanish, although this customer had come in before for help filling out forms and requested assistance understanding documents. All customers, but particularly if LEP (including illiteracy) are entitled to assistance and should be asked if they need help understanding or completing forms.
- One Evidence based conclusion lacked a clear definition of why the decision was upheld.

Positive Notes:

1. The overall accuracy rate remains over 95%.
2. 100% of CSM calls were made timely.
3. There were no instances of the Request for Appeal form sent late to Equus' Appeal staff from caseworkers in this review cycle.
4. There were (0) improper payments found in this Appeal Packet Review

As shown by the 95.15% accuracy rate, this is an area of strength for Equus. In addition to assisting LEP customers, areas needing improvement are lack of ADR calls, no explanation of denial by line staff and an unclear Evidence based conclusion. For customers to understand the reason for denial and their rights, all these gaps contain critical information that will allow them to better understand both program rules and make the best choice on whether to start or continue with an Appeal.

Provider (ELP) Rate Agreement Review

A sample of 12 providers were chosen for the Rate Agreement Review. There were 2 errors out of 48 elements reviewed. This review was conducted to determine if updated Rate Agreement forms were distributed to the provider, signed by the provider, and uploaded by the TWC deadline of 11/30/21. The overall accuracy rate was **95.83%**. The findings and observations are indicated below:

- In two providers reviewed, the signed Rate Agreement is still outstanding and was not submitted by the TWC deadline of November 30. The providers were not placed on SIAs.

Notes and Observations:

- No new or updated provider published rates were requested or received.
- It could not be determined if the new TWC Maximum Reimbursement Rates effective 10/1/21 were communicated to the providers.

Positive note:

- Improvement was seen with the new Rate Agreements being returned by the providers for signature, in comparison with the previous review.

In response to last year's first review of this new requirement, Equus stated that all providers failing to return their updated Rate Agreements by the due date would be placed on a Service Improvement Agreement (SIA). This review conducted from January 3-5, 2022, documented no instances where providers who failed to return the agreements were placed on SIAs. A reason

for why SIAs were not implemented this year according to plan is to be included in the management response from Equus.

CONCLUSION-GAP ANALYSIS

New errors were discovered during the eligibility review and will require analysis along with corrective actions. The repeat errors also seen in previous eligibility reviews suggest additional measures must be taken to eliminate these errors in the future, with timeliness of processing remaining the largest area of concern.

A decline in the accuracy rate was found in the new ELP review. Equus must evaluate factors affecting the re-emergence of provider rate calculation and other errors virtually eliminated previously. The repeat finding of no process or documentation to explain data discrepancies between actual provider published rates and out of county rates could lead to future data validation findings with outside agencies such as TWC. Further, no action appears to have been taken on the repeat finding of no Babel notice on communications or vital documents and was an issue for one provider in this review.

The *UI Early Warning Report* review had errors including:

- child care incorrectly paid to providers when children were no longer attending with no recoupment or correction attempted,
- incorrectly denying resumption of care for a child denied care by a provider while still paying the provider,
- late processing of Activity Interruptions

These errors created improper payments either on Equus or ELPs. Also, process issues identified, including late processing of provider reported absences, emergency transfers not processed, and how a parent's self-report of work is followed up on, will need to be evaluated for solutions to avoid future findings.

The Appeal packet review continues to be an area of strength with the continued exception of the Alternative Dispute Resolution calls not being made or not made timely. Another solution to whatever has been implemented by Equus to ensure the ADR calls are made will need to be found since the previous measures have not been effective.

The ELP Rate review had an improvement in the timely return of the Rate Agreement forms, however, staff failed to institute SIAs for the providers in the review who failed to meet the deadline to return the agreements. As a result, these were called as errors.

ISSUES POTENTIALLY AFFECTING PERFORMANCE MEASURES

To meet Performance Measures and processing deadlines required in rule, determining areas that slow or delay processing of cases by staff could not only save time but also improve overall performance without sacrificing quality. Some suggestions from this review are:

- Staff sending denials or requests for documents already in the case file, or that are unnecessary, adding to workload and delaying eligibility determination. One example:

staff are either missing one paystub (consecutive or non-consecutive but could calculate the missing paystub from year-to-date amounts). While the Child Care Guide suggests 3 months of paystubs be used, there is no **requirement** that a full 3 months is needed to determine eligibility, therefore, 6 out of 7 consecutive paystubs, or a calculation of the missing non-consecutive paystub, could be used to process the case without sending out a denial. One staff did follow this TWC recommended best practice in this review.

- Emergency transfer requests (care ended by a provider or due to parent safety concerns) are currently placed on a Customer Needs Log (CNL), which has led to weeks and even months of childcare being denied an eligible child and fails to ensure continuity of care. Customers could lose their jobs and their childcare when this occurs. Prompt handling of these requests by appropriate staff could help ensure both continuity of care and parent's job status, and decrease staff workload and contacts, thereby eliminating extra work.
- Caseworkers that do not review additional paperwork returned when a customer has filed an Appeal. This increases the load on appeals staff, who then must determine eligibility. Once the customer's documents are submitted, if eligibility can be determined, the Appeal could then be dismissed, decreasing the burden on appeal staff and time for customer resolution. Further, caseworkers taking the time to explain why a denial is being sent may lessen the number of Appeals, rather than relying on Appeal staff or Hearings to explain to the customer what is needed or why care is being denied.

FINDINGS

Repeat Finding 1: A total of 121 data integrity and case management errors were identified out of 1,048 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 eligibility review:
 1. It is recommended that a review of the procedure for redeterminations, including how to process the one-month extensions, be conducted and correct the process, if needed, or conduct training.
 2. Equus management or QA may want to look at staff failure to respond appropriately to QC recommendations/questions and why.
 3. 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.
 4. Additionally, reviewing training processes with staff, particularly with a focus on income calculations and PSOC reductions, will help improve overall scores and decrease the potential for improper payments from future monitoring reviews.
 5. The Income and PSOC letter is printing last year's maximum income eligibility chart. This needs to be fixed so that parents are correctly informed of the current maximum income (85% SMI) for eligibility. This is a repeat finding.
- For the new ELP review:
 1. It is recommended that staff, particularly new staff, receive individualized training on how to calculate rates, how to put these into the rate worksheet and the necessity to document actions so that others who review the file can follow the rationale. A comment can often mean no error will be called when there is a logical explanation for what appears to be a deviation.
 2. Update procedures to include processes to notify out of county Boards and/or ELPs about published rate discrepancies, and staff documentation of such to avoid potential findings for data validation errors (data discrepancies).
 3. Babel notices to be added to communications and vital documents.

- *UI Early Warning Report* review, in addition to attachment errors, the process issues noted during this review needing improvement or training:
 1. Equus procedure for processing the *UI Exception Report* in cases where parents report starting a new job lacks proper follow-up for cases if parents do not return documents.
 2. A repeat finding from other reviews was documented cases of transfers being placed on a CNL list, even for emergency situations such as provider ending child care, and no call back to these customers, indicating a problem with the CNL list and/or transfer procedure. CNL and/or transfer process needs to be reviewed and fixed.
 3. Provider absence reporting is being documented late in TWIST Counselor notes.

- For the Appeal Review:
 1. It is recommended that additional training is given to address the importance of ADR calls, explanation of denials and strengthening the Evidence based conclusions.
 2. Another suggestion is that the process of how ADR calls are done and reassigned is looked at, as one Appeal somehow dropped from the system after reassignment to other staff and was late being sent up as a result.

- For the Provider Rate Agreement Review:
 1. All incorrect rates identified with the selected providers must be adjusted and recouped or paid at correct rates.
 2. Additionally, follow-up action is required on all outstanding Provider Rate Agreements.
 3. A reason for why SIAs were not implemented this year according to plan is to be included in the management response.

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. *Please note: There is an additional improper payment for care that restarted for a customer on a previous report from FY21 whose care was suspended, but then restarted. The initial portion of that improper payment was collected, but the remainder (from resumption of care at end of suspension through to the eligibility end date) will need to be included along with this review.* 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 1 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 childcare 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 of error corrections has been included in the response uploaded to SharePoint.

Equus has reviewed the errors that resulted in improper payments and will comply upon issuance of a demand letter for payment after final determination of amounts.

Scholarship Program Redeterminations, New Applications and Denials Eligibility Review

Equus has identified that some staff continue to demonstrate challenges with processing redeterminations and one-month extensions accurately. The Project Director and Ops Manager will schedule meeting with the trainer to review the SOPs and training materials for redeterminations, one-month extensions and income calculations including PSOC reductions. The purpose of the meeting will be to ensure the SOPs and training materials align with the TWC policy and childcare guide. If needed, revisions will be made.

All Eligibility Specialists will be required to attend a refresher training on the redetermination, one-month extension, income calculation and PSOC reduction processes. A knowledge check that will include a hands-on demonstration will be provided to all Eligibility Specialist upon completion of the refresher trainings. A staggered schedule for the refresher trainings will be set to begin on March 7, 2022 and continue weekly until all Eligibility Specialist have successfully completed the trainings and knowledge check. Training sign in sheets will be uploaded to SharePoint as required. The expectation is for Eligibility Specialists to show immediate and sustained improvement in these areas.

Project Director will schedule a meeting with the Equus Technology to team to discuss the option to create an application in WORCS. This development will assist management with the monitoring the completion of QC reviews. This would include tracking staff responses and actions taken from QC recommendations. Email to coordinate a meeting to discuss this topic was sent on February 21, 2022.

The implementation of the Specialized Teams will assist with improving our timeliness with processing cases which includes documenting attendance reports timely. The Project Director and Deputy Director will follow up with Operation Supervisors to further discuss the monitoring practices of each specialized team in effort to manage the timeliness of processing cases. Email to coordinate a meeting to discuss this topic was sent on 2/21/2022.

Operations Manager confirmed the Income and PSOC letter is now updated to reflect the current year's maximum income eligibility chart as required.

New ELP Review

To address the issues identified the Program Manager for Provider Services provided coaching and training to all the provider services staff on February 9, 2022. The coaching included calculating provider rates and how to use the worksheet correctly. The Deputy Director will be responsible for follow up with the Program Manager of Provider Services to ensure provider rates are accurate before uploaded.

Project Director and Deputy Director are scheduled to meet on February 25th to discuss the refresher training needs for documentation by the Provider Services Specialists. Equus

acknowledges that proper documentation of actions will help avoid future errors or assumptions of actions taken by staff. Tentative refresher training date is March 7, 2022.

The Program Manager for Provider Services and staff will have all letters and materials updated with the correct Babel notices and submitted to the board's Laserfiche team by February 25, 2022.

Program Manager will revise the current SOP to include notifying out of county Boards and/or ELPs about published rate discrepancies. Revised SOP due to Project Director for review on March 1, 2022.

UI Early Warning Report Review

With the implementation of the Specialized Teams, there are a specific group of staff who will complete all facets of the UI Early Warning Reports going forward. As a result of this review it was determined the process of shared responsibilities led to gaps in the final steps to end care, resulting in a few improper payments. We anticipate that full responsibility for individual staff will close the gaps. A full training on the process will be scheduled. Tentative training date is March 14, 2022.

Appeal Packet Review

The Appeal SOP and training materials were previous updated as recommended. Evidence of improvement is documented by increased monitoring scores to meet the performance benchmarks. Equus has made staff changes in the department that is charged with processing Appeals. We anticipate seeing immediate improvement in this area. The current staff responsible for appeals have successfully completed training. An Operations Supervisor has been designated to review a random sample of appeals to include timeliness actions to ensure the ADRs are completed in compliance. The Operations Manager is responsible for providing any findings to the Deputy Director on a biweekly basis. In addition, this is also a process that will be implemented in the Equus WORCS system to improve monitoring and timeliness.

Provider (ELP) Rate Review Agreement Review

In response to the identification of continued issues with provider rate agreements Equus will implement procedures to assign Provider Services staff designated ELP caseloads. Each Provider Services Specialist is responsible for ensuring their assigned providers files are accurately managed to include the rate agreements, provider communications, end cares, attendance reports and documentation and establishing new provider agreements. The Operations Supervisor for Provider Services is responsible for ensuring staff are properly managing their caseloads. In addition, the Project Director will request for an increase of provider case reviews to be conducted by Child Care internal QA. With this focus we anticipate improvement of managing all facets of provider services.

As a result of the review, it was discovered that the two ELP's in question without signed Provider Rate Agreements on file were not filed correctly, thus a Service Improvement Agreement was not necessary. In the future the outstanding agreements will be cross checked by the responsible Operations Supervisor within 30 days of expected return.

Total Improper Payment Amount \$2,357.82



FY22 Qtr 1 External
Monitoring -Improp

Appendix A

Child Care Review 1 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	11/1/21-23/21 for Redeterminations, 10/1/21-11/30/21 for New Apps	37	73/664	89.01%
Provider Services	New ELP Review	November 1-23, 2021	17	36/198	81.82%
Client Services	UI Early Warning Report Review	November 17, 2021 Report	18	5/35	85.71%
Provider Services	Provider (ELP) Rate Agreement Review	Sample taken from Provider List	12	2/48	95.83%
Client Services	Appeal packet Review	October 1 – December 31, 2021	10	5/103	95.15%
		Total	94	121/1048	88.45%

Child Care Review 1 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)	>=75%	11/1/21-11/23/21 Redeterminations, 10/1/21-11/30/21 New Apps	37	26/85	69.41%
Appeals	>=85%	October – December 2021	10	3/29	89.66%
Accuracy Rates					
Client Services (Customer Eligibility)	>=92%		37	47/579	91.88%
Appeals (Application Packets)	>=95%	October – December 2021	10	2/74	97.30%
Early Learning Programs (New Providers and Rate Agreements)	>=96%	November 1-23, 2021	17	38/246	84.55%