

# STATE AUDITOR'S OFFICE PERFORMANCE AUDIT AUDIT REPORT



## Initiative 1163: Long-Term Care Worker Certification Requirements

January 8, 2013

Report No. 1008965



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR

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# Introduction

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In November 2011, Washington State voters passed Initiative 1163, which expanded background check screening, training and certification requirements for long-term care workers who work in community based settings as contracted individual providers, in licensed home care agencies and licensed adult family homes and assisted living facilities. In order to become certified, as home care aides, these workers must:

- Undergo a state background check, a Federal Bureau of Investigation fingerprint check and a National Sex Offender Registry check to determine whether they have a criminal history or other negative action that would disqualify them from having unsupervised contact with vulnerable persons. A negative action is defined as a finding by an agency, judge or a court that an individual abused, neglected, exploited or abandoned a vulnerable adult, juvenile or child.
- Complete 75 hours of training within 120 days of being hired. Of this, the applicant must complete two hours of orientation and three hours of safety training prior to providing any care.
- Pass a certification exam and skills test within 150 days of being hired as a long-term, in-home care worker.

The intent of the Initiative is to ensure long-term care workers are qualified and competent to provide services to state clients. The measure gives the state four years to put all of its requirements in place. The first step applies to long-term care workers in the above community-based settings hired beginning January 7, 2012.

In fiscal year 2012, DSHS paid more than \$880 million to long-term care workers providing services in community-based settings.

## Why we did this audit

The Initiative requires the State Auditor's Office to conduct a performance audit of the program by January 2013 and every two years thereafter. It does not state what has to be audited.

## Audit Scope, Objectives and Methodology

Our audit scope focused on long-term care workers who applied for certification from January 7 through April 30, 2012. Long-term care services are provided by individual providers, employees of licensed home care agencies, licensed adult family homes and assisted living facilities. Individual providers contract directly with DSHS to provide care to state in-home care clients. Home care agency workers are employees of non-profit or for-profit companies that contract with DSHS to provide care and staff who work in adult family homes and assisted living facilities.

The objectives of the audit were to determine:

- Have DOH and DSHS implemented processes to meet the background check, training and certification requirements of Initiative 1163?
- Did long-term care workers, hired beginning January 7, 2012, meet certification requirements within the timeframes established in state law?

Our review of DOH records noted that while 273 applicants recorded a hire date on their applications, 133 applicants had not done so. Timing requirements for training and certification under the Initiative are based on an applicant's hire date, so this information is crucial in verifying that long-term care workers have met the required timelines. State law requires all newly hired long-term care workers to apply for certification within three days of hire (Washington Administrative Code 246.980.030). Because hire dates were not always available, we used the application date to calculate time requirements.

We conducted this audit in accordance with generally accepted governmental auditing standards, prescribed by U.S. Government Accountability Office. Those standards require that we plan and obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We obtained long-term care worker applicant data from DOH's Integrated Licensing and Regulatory System (ILRS), which included background check, training and certification completion dates. We used this information to determine if applicants met all certification requirements. For those DOH certified as home care aides, we reviewed supporting documentation to determine if all certification requirements had been met. Applicants determined to be exempt from Initiative 1163 requirements were not included in our audit.

We found the agencies have a process for conducting background checks, training and certification for long-term care workers hired beginning January 7, 2012. However, as indicated by the results of our work (Objective 2), the process appears to be ineffective at ensuring all in-home care workers completed the requirements.

In summary, of 406 providers that applied for certification with the DOH, 288 (71 percent) had not been certified by the time we completed our review.

# Audit Results

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## Objective 1

**Have the Departments of Health and Social and Health Services implemented processes to meet the background check, training, and certification requirements of Initiative 1163?**

The Departments conduct the background checks, training and certification activities long-term care workers need to meet requirements of Initiative 1163. DSHS has expanded its routine background checks to include the Initiative's requirements. It shares the results of these checks with DOH.

Additionally, DSHS has training curriculums for long-term care workers designed to meet the 75-hour requirement. Only instructors qualified by DSHS can provide this training. DOH has established a certification exam and a skills test applicants must pass to become certified. DOH provides DSHS these exam and skills test results. DOH has established procedures to determine if applicants meet all requirements prior to issuing home care aide certifications.

DSHS has regulatory oversight of assisted living and adult family homes. DSHS relies on Area Agencies on Aging (AAA) and contracted businesses to provide oversight of home care agency employees. A list of long-term care employees working for facilities and agencies is not maintained. DSHS stated their agency and the AAA do periodic monitoring of facilities and agencies to determine if they are complying with regulations.

## Objective 2

**Did long-term care workers, hired beginning January 7, 2012, meet the certification requirements within the timeframes established in state law?**

We found that not all long-term care providers hired beginning January 7, 2012, met the certification requirements within the required timeframes.

According to the Department of Health, 518 long-term care providers applied for certification from January 7, 2012 through April 30, 2012. Of these, 42, were not required to be certified under the Initiative (hired before January 7, family care provider, etc.) and 70 were terminated prior to completion of the certification process. Of the remaining 406 applicants, 275 were individual providers and 131 were employees of facilities and agencies. As noted above in the Audit Scope, Objectives and Methodology section of our report, 273 applicants recorded a hire date on their application and 133 applicants did not. Because hire dates were not always available, we used the application date to calculate time requirements.

Of all 406 providers that we reviewed, 288 (71 percent) had not been certified by October 24, 2012, the last day of our certification testing. Specifically, we found:

- 209 of 275 individual providers (76 percent) who applied had not been certified. Although these individuals had identified themselves as long-term care workers providing services independently (not employed by a facility or agency), we are unable to determine if they currently have a contract with DSHS.
- 79 of 131 employee workers of facilities and agencies (60 percent) who applied had not been certified.

For this time period, we verified 118 of the 406 providers who applied met all requirements and became certified. However 59 of those 118 providers did not complete the required training within 120 days and/or the exam and skills test within 150 days. Although, these individuals eventually completed all requirements, for the reasons noted below under table 1, we were unable to determine if these providers had served clients between the time the deadline(s) were missed and when they became certified.

As seen in Table 1 below, applicants did not meet certification requirements for a number of reasons.

**Table 1 – Applicants missing certification requirements**

Description	Number of providers	Percentage
Did not complete training or take the certification exam.	120	42%
Failed to provide sufficient information to validate background check.	73	25%
Did not pass the certification exam.	65	23%
Requested their application be closed.	6	2%
Other reasons	24	8%
<b>Total</b>	<b>288</b>	<b>100%</b>

The table represents information related to the 288 applicants who applied for certification from January 7 through April 30, 2012, but did not complete the process. DSHS does not maintain a list of all providers, so we could not confirm all providers required to apply had done so.

We were unable to determine if these applicants had served any state clients after missing training and certification deadlines due to:

- Provider timekeeping and payroll records not being readily available.
- Insufficient time for DSHS to make provider payment records available prior to the completion of our audit.

# Recommendations

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We recommend DSHS:

- Review the list of 288 provider applicants that did not meet certification requirements to determine whether they have completed the process since the conclusion of our audit work. If these applicants are not certified, we recommend the agency take appropriate action in accordance with the initiative directives, which may include:
  - Preventing the provider from serving clients.
  - Terminating their individual provider contracts.
  - Taking enforcement action against the private agency or facility that employed them.

Additionally, we recommend DSHS take the same measures for any providers that applied for certification after April 30, 2012 and missed certification deadlines.

- Review processes designed and used to identify providers who have missed Initiative deadlines (including those hired by external parties) and ensure these processes are sufficient to ensure these unqualified providers are restricted from serving clients until they have met all certification requirements.
- Review methods used to monitor home care agencies and facilities and ensure these methods are sufficient to ensure workers hired by these agencies are certified.

We recommend DOH:

- Obtain each applicant's hire date and enter this date into its licensing system. DOH should require applicants to submit an employer verification form to ensure this date is accurate.

## What's next?

As required by state law, we will perform our next performance audit in two years.

# Appendix A: Agency Responses



## STATE OF WASHINGTON OFFICE OF FINANCIAL MANAGEMENT

*Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555*

January 7, 2013

The Honorable Brian Sonntag  
Washington State Auditor  
P.O. Box 40021  
Olympia, WA 98504-0021

Dear Auditor Sonntag:

Thank you for the opportunity to respond to the State Auditor's Office (SAO) performance audit report on Initiative 1163 (I-1163). The Office of Financial Management worked with the Department of Social and Health Services (DHS) and Department of Health (DOH) to provide a consolidated response.

The implementation of I-1163 requires new training and certification requirements for individuals who provide personal care in community-based settings. It is important to note that the training requirements have more than doubled and certification is now required for this workforce.

Initiative 1163 specified responsibilities shared by DHS and DOH for the training and certification of home care aides. DHS oversees programs that employ long-term care workers. In addition, DHS has responsibility for conducting federal and state background checks on these workers. DHS shares the background check results with DOH, which is responsible for home care aide certification activities.

DHS has worked with DOH and stakeholders to meet the deadline for I-1163 implementation. They have identified changes to comply with I-1163 and ensure that workers are qualified to provide care as explained in the attached coordinated audit response.

DHS will continue to work with DOH, stakeholders, and providers to ensure our system meets the requirements of I-1163 and that Washington continues to have a well-trained, certified long-term care workforce.

The SAO worked very collaboratively with DHS and DOH during this audit. We thank your office and the audit team for their work.

Sincerely,

A handwritten signature of Stan Marshburn.

Stan Marshburn  
Director

Enclosure

*(Copies noted on next page)*



The Honorable Brian Sonntag  
January 7, 2013  
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cc: Chuck Pfeil, Director of State and Local Audits, SAO  
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Alan Siegel, External Audit Compliance Manager, DSHS  
Karen Jensen, Assistant Secretary, Health Systems Quality Assurance, DOH  
Lynda Karseboom, Office of Internal Audit, DOH

# OFFICIAL STATE CABINET AGENCY RESPONSE TO THE PERFORMANCE AUDIT ON INITIATIVE 1163

JANUARY 7, 2013

This coordinated management response to the audit report received on December 28, 2012, is provided by the Office of Financial Management on behalf of the Department of Health and the Department of Social and Health Services.

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**RECOMMENDATION 1:** The Department of Social and Health Services (DSHS) should review the list of 288 provider applicants that did not meet certification requirements to determine whether they have completed the process since the conclusion of our audit work. If these applicants are not certified, we recommend the agency take appropriate action in accordance with the initiative directives, which may include:

- Preventing the provider from serving clients.
- Terminating their individual provider contracts.
- Taking enforcement action against the private agency or facility that employed them.

Additionally, we recommend DSHS take the same measures for any providers that applied for certification after April 30, 2012 and missed certification deadlines.

## RESPONSE

DSHS concurs with the State Auditor's Office audit finding that the agency has implemented the requirements of I-1163 and put in place the processes required to ensure long-term care workers are qualified to provide care. We also note that we are actively working to make improvements in the system we developed to monitor and take action, when necessary, to ensure compliance with I-1163.

We further acknowledge the number of long-term care workers who did not complete training or certification in a timely manner is unacceptable. DSHS has taken numerous actions to improve the process for qualifying long-term care workers and ensuring compliance with I-1163. These include:

- Promulgating administrative rules in January 2012 that require home care agencies, adult family homes and assisted living facilities to ensure employees complete the 75 hours of required training within 120 days from their date of hire.
- Monitoring home care agencies, adult family homes and assisted living facilities to ensure providers are in compliance with I-1163. Intermittent monitoring of providers focuses on meeting I-1163 requirements. Enforcement actions are taken if providers have not met the obligation to ensure they employ qualified long-term care workers.
- Distributing numerous publications and conducting a number of meetings and webinars since January 2012 to educate home care agencies, adult family homes and assisted living facilities about the FBI background checks, increased training, and certification requirements required in I-1163.

- Issuing Multiple Management Bulletins beginning in December 2011 directing the Area Agency on Aging (AAA), Home and Community Services (HCS), Division of Developmental Disabilities (DDD) and home care agency providers to implement fingerprinting, increased training and certification requirements for long-term care workers hired on or after January 7, 2012.
- Approving programs across the state to provide adequate training options for long-term care workers to complete the 75-hour course. There are 53 community instructor programs and 106 adult family homes or assisted living facilities approved to provide training. These programs support 578 training instructors.
- Developing a flow chart and including it in a Management Bulletin for AAA/HCS/DDD to use with individual providers during the contracting process. The flow chart is also used by home care agencies to explain the new long-term care worker requirements to employees.

In addition, we note the following:

- The timing of the audit required by I-1163 meant that the audit period coincided with the implementation of a major change in how the state qualifies long-term care workers. This was very unfortunate because it did not allow time for DSHS, DOH, providers and other entities to monitor and make adjustments to ensure the system is working as intended.
- The audit doesn't take into account the turnover rate for long-term care workers, which has been approximately 25 percent. This would seem to indicate that some of the workers in the audit sample didn't complete I-1163 requirements because either: (1) they did not follow through on their contract and did not provide care, or (2) they did contract with DSHS but their status as a care provider terminated before the deadline for training/certification was reached.

### Action Steps and Time Frame

- DSHS has reviewed and acted on the list of individual providers in the audit sample. Individual providers who are not qualified do not have a contract and will not be paid by the department. **Complete.**
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**RECOMMENDATION 2:** DSHS should review processes designed and used to identify providers who have missed Initiative deadlines (including those hired by external parties) and ensure these processes are sufficient to ensure these unqualified providers are restricted from serving clients until they have met all certification requirements.

### RESPONSE

DSHS contracts with the AAA's to ensure that individual providers are qualified under I-1163 and that Medicaid home care agencies determine that their employees meet I-1163 requirements. In addition to licensing adult family homes and assisted living facilities, Residential Care Services in DSHS's Aging and Disability Services Administration also monitors any of these facilities that employ long-term care workers to ensure the termination of the employment of any worker who does not complete training and is not certified by the deadline.

HCS, DDD and AAA receive a notice from the Northwest Training Partnership (the entity responsible for training individual providers) that informs them when an individual provider is on the in-jeopardy list, meaning that his or her training deadline is getting close. The case manager

sends a written notice to the individual provider letting the provider know that he/she will be terminated for non-compliance if training is not completed by the 120-day deadline.

DOH provides a monthly report from Prometric (its testing vendor) with the pass/fail rates of providers taking the certification examination. This report is sent to the community instructors in the training programs to indicate where a student was deficient. This allows instructors to follow up with the student and assess if additional training is needed.

When the Training Partnership has an issue with an individual provider's training deadline or questions they can't answer, they can email DSHS staff to investigate and provide information. DSHS is in the process of issuing two new Management Bulletins that reinforce and provide additional instruction regarding the responsibility of staff to inform the provider of their training and certification requirements.

Additionally, DSHS conducts a monthly webinar with HCS/DDD/ASDA and the Northwest Training Partnership to review rules, examples, issues, and questions about training and certification.

### Action Steps and Time Frame

- DSHS will continue to use the above-mentioned processes to ensure unqualified providers are prohibited from serving clients until they have met all certification requirements. Now that it is operational, the process will be **ongoing**.

**RECOMMENDATION 3:** DSHS should review methods used to monitor home care agencies and facilities and ensure these methods are sufficient to ensure workers hired by these agencies are certified.

### RESPONSE

DSHS is very concerned about the number of providers who are not completing training and/or certification requirements, as this will ultimately affect clients and their ability to stay in a community-based setting. DSHS tracks terminations of individual providers at the 120- and 150-day marks. Executive staff from DSHS and DOH have been meeting over the past two months with key stakeholders to discuss and resolve issues related to the ability of long-term care workers to meet the deadlines for FBI checks, increased training, and certification.

### Action Steps and Time Frame

- A quality assurance program is being implemented to evaluate training programs with a pass rate of less than 80 percent. These programs will be required to develop a program improvement plan to increase performance related to outcomes. DSHS will also be monitoring training programs with a pass rate of more than 80 percent to determine best practices to share with other training programs. We will evaluate trainer competencies during monitoring visits and facilitate a one-day train-the-trainer session for instructors each quarter. This work will be **ongoing**; the train-the-trainer sessions are scheduled to start in **June 2013**.
- The Northwest Training Partnership and community instructors who provide training for other long-term care workers have agreed to discuss DOH certification at the beginning of the 70-hour training course. They will also provide access to Prometric's application for written and skills testing so that long-term care workers can apply earlier in the process to better meet the

150-day deadline. This work will be **ongoing**. In February 2013, a letter will be mailed to community instructors, adult family homes, boarding homes and the Northwest Training Partnership instructing them to include this information in future trainings.

- The Membership Resource Center from the Northwest Training Partnership will contact all individual providers required to complete the 70-hour course and encourage them to register. This should increase the number of students who complete their training on time. The Northwest Training Partnership has already completed the first round of these calls and plans to continue this work for Fiscal Year 2013.

**RECOMMENDATION 4:** The Department of Health (DOH) should obtain each applicant's hire date and enter this date into its licensing system. DOH should require applicants to submit an employer verification form to ensure this date is accurate.

## **RESPONSE**

Today, DOH regulates 83 health professions in Washington. Major activities performed by the agency include licensing, rules and policy development, and enforcement.

Normally, DOH does not capture the date of hire as a standard data field because it is not critical to licensing activities. Most health care professionals cannot work until they are licensed or certified by DOH. This is different with home care aides who must be certified within 150 days of being hired.

During the early phases of implementing the home care aide certification process, DOH realized the need to record the date of hire for applicants. Configuration changes were made to its licensing system in early July to allow the hire date to be recorded.

### **Action Steps and Time Frame**

- Effective December 1, 2012, the DOH Home Care Aide Certification application form was updated to include the date of hire. For many of the individuals who applied before that date, DOH obtained the date of hire from the Employment Verification Form submitted by the applicant or from the work section of the application. DOH has now retroactively recorded the date of hire for 3,372 of the 3,883 applications submitted prior to December 1, 2012.

#### **Complete.**

As of December 26, 2012, 3,776 of the 4,291 home care aide records in the DOH licensing system include the date of hire. In addition, the date of hire will be recorded for all future home care aide applicants. **Ongoing**.

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