



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

**REVIEW OF THE EXPEDITED LONG TERM CARE ELIGIBILITY
DETERMINATION AND ENROLLMENT SYSTEM**

REVIEW

Release Date: July 31, 2014

SYNOPSIS

On July 22, 2013, the Governor signed into law Public Act 98-104 (Act). The Act amended the Public Aid Code to require an expedited long term care (LTC) eligibility determination and enrollment system be established to reduce long term care eligibility determinations to 90 days or fewer by July 1, 2014. Public Act 98-104 also required that no later than August 1, 2014, the Auditor General shall report to the General Assembly concerning the extent to which the timeframes specified in 305 ILCS 5/11-5.4 have been met and the extent to which State staffing levels are adequate to meet the requirements of the section.

Our review concluded that:

- Public Act 98-104 required that the lead agency, the Department of Healthcare and Family Services (HFS), file interim reports with the Chairs and Minority Spokespersons of the House and Senate Human Services Committees no later than September 1, 2013, and February 1, 2014. HFS complied with this requirement by filing two interim reports dated September 1, 2013, and January 31, 2014, that reported on the status of implementing the expedited long term care eligibility determination and enrollment system.
- Although a new eligibility system has been implemented, LTC eligibility determinations are not always being made within 90 days. As of July 1, 2014, based on information extracted from the tracking system set up by DHS for long term care cases, there were 4,226 LTC applications pending. Of those cases pending, 2,141 (51%) were over 90 days old.
- According to information provided by HFS in June 2014, as required by Public Act 98-104, the State has been actively reviewing the feasibility of incorporating data relevant to transfers of assets and spousal impoverishment into the new Integrated Eligibility System (IES). HFS has determined that it is feasible to incorporate this data into IES for eligibility determinations and, according to HFS officials, the resources are in place to accomplish this by September 2015.
- The number of DHS caseworkers increased by approximately 900 between January 2013 and June 2014. However, these staff have duties that are spread out over many different programs offered by DHS. Assessing whether staffing was adequate was complicated by the fact that the eligibility system, processes, and organizational structures at both DHS and HFS were in flux at the time of our review. According to agency officials at DHS, they could not tell at this point whether staffing will be adequate to handle all long term care functions timely and efficiently. According to HFS OIG officials, ongoing attempts to expedite and streamline the workflow process may require additional resources because this is a transitional time period for all parties.

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**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

BACKGROUND

The Act amended the Public Aid Code to require an expedited long term care eligibility determination and enrollment system be established to reduce long term care eligibility determinations to 90 days or fewer by July 1, 2014.

On May 28, 2013, the General Assembly passed Senate Bill 0026 which was signed into law by the Governor on July 22, 2013, as Public Act 98-104 (Act). The Act amended the Public Aid Code to require an expedited long term care eligibility determination and enrollment system be established to reduce long term care eligibility determinations to 90 days or fewer by July 1, 2014. The Act established other time frames for reporting and implementing the expedited system of long term care eligibility determinations.

Public Act 98-104 also required that no later than August 1, 2014, the Auditor General shall report to the General Assembly concerning the extent to which the timeframes specified in 305 ILCS 5/11-5.4 have been met and the extent to which State staffing levels are adequate to meet the requirements of the section. (pages 1-3)

FILING INTERIM REPORTS

HFS complied with this requirement by filing two interim reports dated September 1, 2013, and January 31, 2014, that reported on the status of implementing the expedited long term care eligibility determination and enrollment system.

Public Act 98-104 required that the lead agency, the Department of Healthcare and Family Services (HFS), file interim reports with the Chairs and Minority Spokespersons of the House and Senate Human Services Committees no later than September 1, 2013, and February 1, 2014. HFS complied with this requirement by filing two interim reports dated September 1, 2013, and January 31, 2014, that reported on the status of implementing the expedited long term care eligibility determination and enrollment system. (pages 6-8)

INCORPORATING INFORMATION INTO THE INTEGRATED ELIGIBILITY SYSTEM

Public Act 98-104 required that HFS "...shall, on or before July 1, 2014, assess the feasibility of incorporating all information needed to determine eligibility for long term care services, including asset transfer and spousal impoverishment financials, into the State's integrated eligibility system identifying all resources needed and reasonable timeframes for achieving the specified integration." According to information provided by HFS in June 2014, the State has been actively reviewing the feasibility of incorporating data relevant to transfers of assets and spousal impoverishment into the new Integrated Eligibility System (IES). HFS has determined that it is feasible to incorporate this data into IES for eligibility determinations and, according to HFS officials, the resources are in place to accomplish this by September 2015. (page 11)

TIMELINESS OF ELIGIBILITY DETERMINATIONS

Public Act 98-104 required that an expedited long term care eligibility determination and enrollment system shall be established to reduce long term care determinations to 90 days or fewer by July 1, 2014, and streamline the long term care enrollment process. DHS implemented IES in October 2013. According to DHS officials, IES was able to process and certify LTC cases beginning in April 2014. DHS and HFS OIG have also reorganized the way LTC eligibility applications and cases referred for investigation are reviewed in order to streamline the process. Some organizational changes were still in transition as of July 1, 2014, such as the DHS Macon County LTC hub.

As of July 1, 2014, based on information extracted from the tracking system set up by DHS for long term care cases, there were 4,226 LTC applications pending. Of those cases pending, 2,141 (51%) were over 90 days old.

Although a new eligibility system has been implemented, LTC eligibility determinations are not always being made within 90 days. As of July 1, 2014, based on information extracted from the tracking system set up by DHS for long term care cases, there were 4,226 LTC applications pending. Of those cases pending, 2,141 (51%) were over 90 days old.

As of July 1, 2014, the backlog of LTC eligibility cases referred to HFS' Office of Inspector General's Long Term Care Asset Discovery Investigations (LTC-ADI) unit for further investigation had been significantly reduced. The January 31, 2014 interim report showed a backlog of 3,575 cases as of October 1, 2013. On June 16, 2014, the Governor signed into law Public Act 98-651 requiring that HFS OIG and DHS immediately forgo resource reviews and reviews of transfers during the relevant look-back period for LTC applications that were submitted prior to September 1, 2013. This significantly reduced the backlog of cases for asset investigations by no longer requiring it for those pending backlog cases. According to HFS OIG officials, 1,307 cases in their internal database would be impacted by the legislation. As of July 1, 2014, after implementation of Public Act 98-651, the number of cases pending investigation with HFS OIG totaled 412 cases, of which 84 cases (20%) were over 90 days old. (pages 8-12)

STAFFING

Public Act 98-104 asks the Auditor General to determine the extent to which State staffing levels are adequate to meet the requirements of 305 ILCS 5/11-5.4. The number of DHS caseworkers increased by approximately 900 between January 2013 and June 2014. However, these staff have duties that are spread out over many different programs offered by DHS. As the DHS caseload includes the administration of programs such as the Supplemental Nutrition Assistance Program (SNAP), Medicaid, Temporary Assistance for Needy Families (TANF), and Aid to the Aged, Blind or Disabled, staff were needed to fill gaps in each. Assessing whether staffing was adequate was complicated by the fact that the eligibility

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system, processes, and organizational structures at both DHS and HFS were in flux at the time of our review. These included:

- DHS has substantially reorganized its process for approaching LTC case processing by centralizing LTC processing into two hubs (one in Cook County and one in Macon County) with dedicated LTC caseworkers. In early 2014, DHS began transitioning LTC eligibility cases to the new hub in Cook County (serving Cook and collar counties). According to DHS officials, beginning July 1, 2014, all LTC applications for Regions 3 through 5 (roughly counties south of I-80) were shifted to the LTC hub in Macon County.
- In October 2013, DHS implemented a new Integrated Eligibility System (IES). According to DHS officials, IES was able to process and certify LTC cases beginning in April 2014.
- In late 2013, the HFS Office of Inspector General (OIG) Long Term Care Asset Discovery Investigations (LTC-ADI) unit implemented new procedures to review LTC asset discovery investigations. According to OIG officials, three coordinators were being hired (two in June 2014 and one in July 2014). These 3 employees will replace 15 temporary employees that would no longer be with the OIG after July 1, 2014. HFS OIG provided information that showed that on July 1, 2014, there were a total of 18 employees in the LTC-ADI (11 analysts, 3 supervisors, 3 coordinators, and 1 administrative assistant).

According to agency officials at DHS, they could not tell at this point whether staffing will be adequate to handle all long term care functions timely and efficiently.

According to HFS OIG officials, ongoing attempts to expedite and streamline the workflow process may require additional resources because this is a transitional time period for all parties.

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SCOPE OF REVIEW

The Office of the Auditor General conducted this review pursuant to Public Act 98-104. This report does not constitute an audit as that term is defined in generally accepted government auditing standards.

In accordance with Public Act 98-104 our review focused on the following:

- Whether timeframes specified in 305 ILCS 5/11-5.4 have been met; and
- The extent to which State staffing levels are adequate to meet the requirements of 305 ILCS 5/11-5.4.

The scope of our review focused on reviewing information provided by the relevant agencies involved and not conducting direct audit tests of such information. The Department of Healthcare and Family Services, the Department of Human Services, and the Department on Aging were provided a draft of this report for their review. (page 12)



WILLIAM G. HOLLAND
· Auditor General

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This Review was conducted by OAG staff.