

**DEPARTMENT  
OF  
DEVELOPMENTAL SERVICES'  
AUDIT  
OF  
LOVE 2 LEARN CONSULTING, LLC**

**Programs:**

Behavior Analyst – PM1491, PM1806

Infant Development Program – HM0837

Infant Development Specialist – PM1917

Speech Pathology – PM1778

October 25, 2021

Audit Period: July 1, 2012, through June 30, 2013

**Audit Section**

**Auditors:** Michael Masui, Chief of Vendor Audit Unit  
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# LOVE 2 LEARN CONSULTING, LLC

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## EXECUTIVE SUMMARY

The Department of Developmental Services (DDS) has audited Love 2 Learn Consulting, LLC (L2L). The audit was performed upon the Behavior Analyst (BA), Infant Development Program (IDP), Infant Development Specialist (IDS) and Speech Pathology (SP) for the period of July 1, 2012, through June 30, 2013.

The audit disclosed the following issues of non-compliance:

### **Finding 1: Behavior Analyst – Overbillings**

The review of L2L's BA program, Vendor Number PM1491 revealed that L2L had a total of \$124,263 of overbillings to the East Los Angeles Regional Center (ELARC) and Regional Center of Orange County (RCOC). L2L overbilled direct 1:1 service at the supervision hourly rate of \$64.19, when the services should have been billed at the lower 1:1 hourly rate of \$49.38.

### **Finding 2: Behavior Analyst – Incorrect Billings**

The review of L2L's BA programs, Vendor Numbers PM1491 and PM1806, revealed that L2L had a total of \$29,897 of incorrect billings to ELARC and RCOC. Some of L2L staff, who provided services under Service Code (SC) 612, did meet the qualification requirements of the California Code of Regulations (CCR), Title 17 and were not certified by the national Behavior Analyst Certification Board (BACB).

L2L's failure to meet CCR, Title 17 qualification requirements, including, but not limited to, the minimum staffing qualifications as established by CCR, Title 17, resulted in DDS paying an unqualified staff to perform the same services at the same rate as one who is qualified.

### **Finding 3: Behavior Analyst – Unsupported Billings**

The review of L2L's BA programs, Vendor Numbers PM1491 and PM1806, revealed that L2L had a total of \$5,555 of unsupported billings to ELARC and RCOC.

### **Finding 4: Infant Development Program – Unsupported Billings and Failure to Bill**

The review of L2L's IDP, Vendor Number HM0837, revealed that L2L had a total of \$3,750 of unsupported billings, as well as, \$735 of billings it failed to bill RCOC.

The net total findings identified in this audit amounts to \$162,730 and is due back to DDS. A detailed discussion of these findings is contained in the Findings and Recommendations section of this report.

## **BACKGROUND**

DDS is responsible, under the Lanterman Developmental Disabilities Services Act, for ensuring that persons with developmental disabilities receive the services and supports they need to lead more independent, productive and normal lives. DDS contracts with 21 private, nonprofit regional centers that provide fixed points of contact in the community for serving eligible individuals with developmental disabilities and their families in California. In order for regional centers to fulfill their objectives, they secure services and supports from qualified service providers and/or contractors. Pursuant to the Welfare and Institutions (W&I) Code, Section 4648.1, DDS has the authority to audit those service providers and/or contractors that provide services and supports to persons with developmental disabilities.

## **OBJECTIVE, SCOPE AND METHODOLOGY**

### **Objective**

The audit was conducted to determine whether L2L's BA, IDP, IDS and SP programs were compliant with the W&I Code, CCR, Title 17 and the regional centers' contracts with L2L for the period of July 1, 2012, through June 30, 2013.

### **Scope**

The audit was conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. The auditors did not review the financial statements of L2L, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of L2L's internal controls to gain an understanding of the transaction flow and invoice preparation process, as necessary, to develop appropriate auditing procedures. The audit scope was limited to planning and performing audit procedures necessary to obtain reasonable assurance that L2L complied with the W&I Code and CCR, Title 17. Also, any complaints that DDS' Audit Section was aware of regarding non-compliance with laws and regulations were reviewed and addressed on during the course of the audit.

The audit scope was determined by reviewing the programs and services provided to two regional centers that utilized L2L's services during the audit period. DDS audited services provided to ELARC and RCOC. These two regional centers were chosen due to the large volume of services utilized by the centers as measured by Purchase of Service (POS) expenditures.

L2L provided four different types of services, of which DDS audited all four. Services chosen were based on the amount of POS expenditures invoiced by L2L. By analyzing the information received via a pre-audit meeting with the vendor, an internal control questionnaire and a risk analysis, it was determined that a four-month sample period would be sufficient to fulfill the audit objectives.

## **Behavior Analyst**

During the audit period, L2L operated two BA programs. The audit included the review of L2L's BA programs, Vendor Numbers PM1491 and PM1806, SC 612 and testing was done for the sampled months of July 2012, August 2012, January 2013 and February 2013. However, the four sampled months demonstrated a large amount of billing discrepancies. As a result, the testing was expanded to cover the entire fiscal year of July 1, 2012, through June 30, 2013.

## **Infant Development Program**

During the audit period, L2L operated one IDP. The audit included the review of L2L's IDP, Vendor Number HM0837, SC 805 and testing was done for the sampled months of July 2012, August 2012, January 2013 and February 2013.

## **Infant Development Specialist**

During the audit period, L2L operated one IDS program. The audit included the review of L2L's IDS program, Vendor Number PM1917, SC 810, and testing was done for the sampled months of November 2012, December 2012, January 2013 and February 2013.

## **Speech Pathology**

During the audit period, L2L operated one SP program. The audit included the review of L2L's SP program, Vendor Number PM1778, SC 707 and testing was done for the sampled months of September 2012, October 2012, November 2012 and December 2012.

## **Methodology**

The following methodology was used by DDS to ensure the audit objectives were met. The methodology was designed to obtain reasonable assurance that the evidence provided was sufficient and appropriate to support the findings and conclusions in relation to the audit objectives. The procedures performed included, but were not limited to, the following:

- Review of vendor files for contracts, rate letters, program designs, POS authorizations and correspondence pertinent to the review.
- Interview of regional center staff for vendor background information and to obtain insight into the vendor's operations.
- Interview of vendor staff and management to gain an understanding of its accounting procedures and processes for regional center billing.

- Review of vendor service/attendance records to determine if the vendor had sufficient and appropriate evidence to support the direct care services billed to the regional centers.
- Analysis of the vendor's payroll and attendance/service records to determine if the appropriate level of staffing was provided.

## **CONCLUSION**

Based upon items identified in the Findings and Recommendations section, L2L had findings of non-compliance with the requirements of CCR, Title 17.

## **VIEWS OF RESPONSIBLE OFFICIALS**

DDS issued a draft audit report on January 31, 2017. The findings in the audit report were discussed at a meeting with L2L's Chief Executive Office, Renee Keisman, MAT, BCBA, and Bonnie Yates, Esq., on March 13, 2017. DDS subsequently received L2L's response to the draft audit report on May 12, 2017. L2L did not agree with Finding 2 and requested a waiver of the finding.

## **RESTRICTED USE**

This report is solely for the information and use of DDS, Department of Health Care Services, ELARC, RCOC and L2L. This restriction is not intended to limit distribution of this report, which is a matter of public record.

## FINDINGS AND RECOMMENDATIONS

### Finding 1: Behavior Analyst – Overbillings

The review of L2L's BA program, Vendor Number PM1491, for the sampled period of July 1, 2012, through June 30, 2013, revealed that L2L overbilled for services to ELARC and RCOC. Services provided at a 1:1 staff-to-consumer ratio for Vendor Number PM1491 were billed at the supervision hourly rate of \$64.19, when the services should have been billed at the lower 1:1 hourly rate of \$49.38.

DDS adjusted 8,390.34 hours billed at the supervision rate to the lower 1:1 rate. The rate adjustment of \$14.81 (\$64.19 - \$49.38) for the audit period resulted in an overpayment to L2L in the amount of \$124,263. (See Attachment A)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines either of the following has occurred:

- (1) The services were not provided in accordance with the regional center's contract or authorization with the provider, or with applicable state laws or regulations.”

CCR, Title 17, Section 54326(a)(10) states:

“(a) All vendors shall: ...

- (10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”

### **Recommendation:**

L2L must reimburse to DDS \$124,263 for the overbillings. In addition, L2L should develop and implement policies and procedures to ensure that 1:1 service is billed at the lower 1:1 rate.

### **L2L Response:**

In its response dated May 12, 2017, L2L did not specifically state agreement or disagreement with the finding but acknowledged that it would repay DDS. See Attachment C for the full text of L2L's response to the draft audit report and Attachment D for DDS' evaluation of L2L's response.



## **Finding 2: Behavior Analyst – Incorrect Billings**

The review of L2L's BA program, Vendor Numbers PM1491 and PM1806, for the sampled months of July 2012, August 2012, January 2013 and February 2013, revealed that some of L2L's staff who provided services to consumers of ELARC and RCOC, under SC 612, failed to meet the qualifications required by CCR, Title 17. In addition, they were not certified by the national Behavior Analyst Certification Board as a Board-Certified Behavior Analyst (BCBA).

CCR, Title 17 vendorization requirements ensure that a Behavior Analyst's reimbursement rate of service is commensurate with the Behavior Analyst's qualifications; i.e., if those providing service do not meet the required qualifications for such service, they are not reimbursed at the same rate as those who possess the required qualifications.

L2L's failure to meet CCR, Title 17, Section 54342 for the BA program, SC 612 requirements, resulted in the regional center paying for services performed by staff that lacked minimum qualifications with the same rate as staff who met minimum qualifications. L2L's staff that did not meet minimum qualifications provided 2,018.75 hours of services. DDS has adjusted L2L's rate per hour to a more appropriate rate for staff that are not Board Certified Behavior Analysts. Therefore, the 2,018.75 hours of services provided by L2L's staff for the BA program, SC 612 were adjusted to the appropriate rate for the sample period audited, which resulted in overpayments in the amount of \$29,897. (See Attachment A)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

- (1) The services were not provided in accordance with the regional center's contract or authorization with the provider, or with applicable state laws or regulations.”

CCR, Title 17, Section 54326(a)(10) states:

“(a) All vendors shall: ...

- (10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”

CCR, Title 17, Section 54342(11) states:

“(11) Behavior Analyst – Service Code 612. Behavior Analyst means an individual who assesses the function of a behavior of a consumer and designs, implements, and evaluates instructional and environmental modifications to produce socially significant improvements in the consumer’s behavior through skill acquisition and the reduction of behavior. Behavior Analysts engage in functional assessments or functional analyses to identify environmental factors of which behavior is a function. A Behavior Analyst shall not practice psychology, as defined in Business and Professions Code section 2903. A regional center shall classify a vendor as a Behavior Analyst if an individual is recognized by the national Behavior Analyst Certification Board as a Board Certified Behavior Analyst.”

**Recommendation:**

L2L must reimburse to DDS \$29,897 for the incorrect billings. In addition, L2L should develop and implement policies and procedures to ensure that only individuals recognized by the national Behavior Analyst Certification Board as a BCBA shall perform the functions of a Behavior Analyst.

**L2L Response:**

L2L stated in the response, dated May 12, 2017, that L2L expressly takes issues with the finding. See Attachment C for the full text of L2L’s response to the draft audit report and Attachment D for DDS’ evaluation of L2L’s response.

**Finding 3: Behavior Analyst – Unsupported Billings**

The review of L2L’s BA programs, Vendor Numbers PM1491 and PM1806, for the sampled months of July 2012, August 2012, January 2013 and February 2013, revealed that L2L had unsupported billings to ELARC and RCOC. Unsupported billings occurred due to a lack of appropriate documentation to support the units of service billed to ELARC and RCOC.

L2L was not able to provide appropriate supporting documentation for 105.50 hours of services billed. The lack of documentation resulted in unsupported billings to ELARC and RCOC in the amount of \$5,555 and is due back to DDS. (See Attachment B)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

- (1) The services were not provided in accordance with the regional center’s contract or authorization with the provider, or with applicable state laws or regulations.”

CCR, Title 17, Section 54326(a)(3) and (10) states:

“(a) All vendors shall: ...

- (3) Maintain records of services provided to consumers in sufficient detail to verify deliver of the units of service billed: ...

- (10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”

CCR, Title 17, Section 50604(d) and (e) states:

“(d) All service providers shall maintain complete service records to support all billing/invoicing for each regional center consumer in the program....

(e) All service providers’ records shall be supported by source documentation.”

**Recommendation:**

L2L must reimburse to DDS \$5,555 for the unsupported billings. In addition, L2L should ensure that proper documentation is maintained to support the amounts billed to ELARC and RCOC.

**L2L Response:**

In its response dated May 12, 2017, L2L did not specifically state agreement or disagreement with the finding but acknowledged that it would repay DDS. See Attachment C for the full text of L2L’s response to the draft audit report and Attachment D for DDS’ evaluation of L2L’s response.

**Finding 4: Infant Development Program – Unsupported Billings and Failure to Bill**

The review of L2L’s IDP, Vendor Number HM0837, for the sampled months of July 2012, August 2012, January 2013 and February 2013, revealed that L2L had both unsupported billings, and appropriate support for services that it failed to bill to RCOC.

Unsupported billings occurred due to a lack of appropriate documentation to support the units of service billed to RCOC. The failure to bill occurred when L2L had appropriate supporting documentation, but it did not bill RCOC.

L2L was not able to provide appropriate supporting documentation for 48.50 hours of services billed. The lack of documentation resulted in unsupported billings to RCOC in the amount of \$3,750.

In addition, L2L provided appropriate supporting documentation for 9.50 hours of services that were not billed to RCOC. This resulted in an unbilled amount of \$735.

As a result, \$3,015 is due back to DDS for the unsupported billings.  
(See Attachment B)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

(1) The services were not provided in accordance with the regional center’s contract or authorization with the provider, or with applicable state laws or regulations.”

CCR, Title 17, Section 54326(a)(3) and (10) states:

“(a) All vendors shall: ...

(3) Maintain records of services provided to consumers in sufficient detail to verify deliver of the units of service billed: ...

(10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”

CCR, Title 17, Section 50604(d) and (e) states:

“(d) All service providers shall maintain complete service records to support all billing/invoicing for each regional center consumer in the program....

(e) All service providers’ records shall be supported by source documentation.”

**Recommendation:**

L2L must reimburse to DDS \$3,015 for the unsupported billings. In addition, L2L should ensure that proper documentation is maintained to support the amounts billed to RCOC.

**L2L Response:**

In its response dated May 12, 2017, L2L did not specifically state agreement or disagreement with the finding but acknowledged that it would repay DDS. See Attachment C for the full text of L2L's response to the draft audit report and Attachment D for DDS' evaluation of L2L's response.

## ATTACHMENTS

### LOVE 2 LEARN CONSULTING, LLC

The attachments for this audit report are currently not compliant with the digital accessibility law. To request a copy of these documents, please contact the DDS Audit Section at (916) 654-3695/use the Public Records Act (PRA) **process**.

**LOVE 2 LEARN CONSULTING, LLC**

**RESPONSE  
TO AUDIT FINDINGS**

**The vendor's response to the audit findings is currently not compliant with the digital accessibility law. To request a copy of this document, please contact the DDS Audit Section at (916) 654-3695.**

## THE DEPARTMENT OF DEVELOPMENTAL SERVICES' EVALUATION OF LOVE 2 LEARN CONSULTING, LLC'S (L2L'S) RESPONSE

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DDS evaluated L2L's written response to the draft audit report and determined that L2L does not appear to disagree with Findings 1, 3, and 4, but expressly takes issue with Finding 2. Below is the summary of the vendor's response as well as DDS' evaluation of the vendor's response.

### **Finding 1: Behavior Analyst – Overbillings**

L2L stated, *"The amount that is being requested by the DDS audit is the sum result of unintentional systemic errors, specifically in the manner in which client paperwork was transmitted by Regional Center to Love 2 Learn and thereafter processed, 'as is'."*

The audit finding is consistent with CCR, Title 17, Section 50604, which requires the vendor to provide adequate documentation to verify its services.

### **Finding 2: Behavior Analyst – Incorrect Billings**

*"Love 2 Learn and the RCOC behavior community had explicit assurances from the Behavior Service Director that L2L (and all of Orange County) was 100% in compliance so long as we adhered to our program design.... L2L would request that DDS withhold penalizing an agency that was providing services in a consistent manner as agreed upon. Therefore, we ask that DDS credit the total sum assessed by the sum of \$29,897."*

L2L did not submit any new or additional information in their response to warrant any adjustment to the disallowed amount in Finding 2. The auditors relied upon CCR, Title 17, Section 54342 (11) as the criterion for appropriate billing under Service Code 612 - Behavior Analyst.

### **Finding 3: Behavior Analyst – Unsupported Billings**

L2L stated, *"Despite the fact that L2L provided several forms of documentation (i.e., raw data/or sign-in logs and/or payroll records) to demonstrate that billed sessions in fact occurred, we must appreciate that there were some sessions that didn't have the specific documentation required."*

The finding from the draft report remains unchanged. Pursuant to CCR, Title 17, Section 54326(a)(10), only direct services to the consumers are billable to the regional center.

### **Finding 4: Infant Development Program – Unsupported Billings and Failure to Bill**

L2L stated, *"Despite the fact that L2L provided several forms of documentation (i.e., raw data/or sign-in logs and/or payroll records) to demonstrate that billed sessions in*



**THE DEPARTMENT OF DEVELOPMENTAL SERVICES'  
EVALUATION OF LOVE 2 LEARN CONSULTING, LLC'S (L2L'S)  
RESPONSE**

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*fact occurred, we must appreciate that there were some sessions that didn't have the specific documentation required."*

The finding from the draft report remains unchanged. Pursuant to CCR, Title 17, Section 54326(a)(10), only direct services to the consumers are billable to the regional center.

**Conclusion:**

*L2L stated, "In view of the sizable sum constituting repayment to DDS ... Love 2 Learn respectfully requests that DDS extend the time required for the repayment of this sum in such a fashion that it will not compromise our ability to continue to run our practice efficiently... Therefore, Love 2 Learn requests that the repayment be arranged for equal installment payments over a thirty six-month period."*

An invoice for the total amount of the audit findings of \$162,730 is enclosed in the final audit report. As stated in the transmittal letter, a payment plan can be discussed with DDS' Accounting Section.