

DEPARTMENT OF DEVELOPMENTAL SERVICES
AUDIT OF
CENTER FOR AUTISM AND RELATED DISORDERS

Programs and Services:

Adaptive Skills Trainer - PK3560, PL0363,
Behavior Management Consultant - HS0492, P24730, P72859, PL0363, PM0340
Client/Parent Support Behavior Intervention Training. - PA0954, PL1312, PQ9621
Behavior Management Assistant - HS0492, PL0782, PL0825,
Behavior Analyst - PL0783, PL0824

Audit Period: July 1, 2013, through June 30, 2014

Audit Section

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CENTER FOR AUTISM AND RELATED DISORDERS

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EXECUTIVE SUMMARY

The Department of Developmental Services (DDS) has audited Center for Autism and Related Disorders (CARD). The audit was performed upon the Adaptive Skills Trainer (AST), Behavior Management Consultant (BMC), Client/Parent Support Behavior Intervention Training (CPSBIT), Behavior Management Assistant (BMA), and Behavior Analyst (BA), for the period of July 1, 2013, to June 30, 2014.

The audit disclosed the following issues of non-compliance:

Finding 1: Adaptive Skills Trainer – Unsupported Billings

The review of CARD's AST program, Vendor Numbers PL0363 and PK3560, revealed that CARD had a total of \$1,580 of unsupported billings to Frank D. Lanterman Regional Center (FDLRC), Kern Regional Center (KRC), North Los Angeles County Regional Center (NLACRC) and Tri-Counties Regional Center (TCRC).

Finding 2: Adaptive Skills Trainer – Overbillings

The review of CARD's AST program, Vendor Numbers PL0363 and PK3560, revealed that CARD had a total of \$116,364 of overbillings to East Los Angeles Regional Center (ELARC), FDLRC, Inland Regional Center (IRC), KRC, NLACRC, Regional Center of the East Bay (RCEB), San Gabriel/Pomona Regional Center (SGPRC), TCRC, and Westside Regional Center (WRC).

Finding 3: Behavior Management Consultant – Overbillings

The review of CARD's BMC program, Vendor Numbers P24730, PL0363, P72859, HS0492, and PM0340, revealed that CARD had a total of \$79,579 of overbillings to ELARC, FDLRC, Harbor Regional Center (HRC), IRC, North Bay Regional Center (NBRC), RCEB, Regional Center of Orange County (RCOC), South Central Los Angeles Regional Center (SCLARC), San Diego Regional Center (SDRC), and WRC.

Finding 4: Behavior Management Consultant – Unsupported Billings

The review of CARD's BMC program, Vendor Numbers P24730, P72859, HS0492, and PM0340, revealed that CARD had a total of \$18,886 of unsupported billings to NBRC, RCOC, SDRC, and WRC.

Finding 5: Behavior Management Consultant – Lack of Requisite Qualifications by Staff

The review of CARD's BMC program, Vendor Numbers P24730, PL0363, P72859, HS0492 and PM0340, revealed that staff who provided services to consumers did not meet the education requirement specified in the vendor's program design. The lack of requisite credentials resulted in overbillings in the amount of \$79,853 to ELARC, FDLRC, HRC, IRC, NBRC, RCEB, RCOB, SCLARC, SDRB, and WRC.

Finding 6: Adaptive Skills Trainer – Lack of Requisite Qualifications by Staff

The review of CARD's AST program, Vendor Numbers PL0363 and PK3560, revealed that staff who provided services to consumers did not meet the education requirement specified in the vendor's program design. The lack of requisite credentials resulted in overbillings in the amount of \$69,100 to FDLRC, IRC, KRC, NLACRC, RCEB, and WRC.

Finding 7: Client/Parent Support Behavior Intervention Training – Overbillings

The review of CARD's CPSBIT program, Vendor Number PA0954, revealed that CARD had a total of \$34,642 of overbillings to ACRC and NBRC.

Finding 8: Behavior Management Assistant – Overbillings

The review of CARD's BMA program, Vendor Numbers PL0782, PL0825, and HS0492, revealed that CARD had a total of \$33,896 of overbillings to FDLRC, KRC, NBRC, NLACRC, SARC, SGPRC, and TCRC.

Finding 9: Behavior Analyst – Overbillings

The review of CARD's BA program, Vendor Numbers PL0783 revealed that CARD had a total of \$33,462 of overbillings to CVRC.

Finding 10: Behavior Analyst – Lack of Requisite Qualifications by Staff

The review of CARD's BA program, Vendor Number PL0783 revealed that staff who provided services to consumers did not meet the education requirement for this program. The lack of requisite credentials resulted in overbillings in the amount of \$23,281 to CVRC and FDLRC.

Finding 11: Behavior Management Assistant – Unsupported Billings

The review of CARD's BMA program, Vendor Numbers PL0825 and PL0782, revealed that CARD had a total of \$9,548 of unsupported billings to KRC, NLACRC, TCRC, and WRC.

Finding 12: Behavior Analyst – Unsupported Billings

The review of CARD's BA program, Vendor Numbers PL0783 and PL0824, revealed that CARD had a total of \$3,113 of unsupported billings to NLACRC, SGPRC, and TCRC

Finding 13: Client/Parent Support Behavior Intervention Training – Lack of Requisite Qualifications by Staff

The review of CARD's CPSBIT program, Vendor Number PA0954, revealed that staff who provided services to consumers did not meet the education requirement specified in the vendor's program design. The lack of requisite credentials resulted in overbillings in the amount of \$11,956 to ACRC and NBRC.

Finding 14: Behavior Management Assistant – Lack of Requisite Qualifications by Staff

The review of CARD's BMA program, Vendor Numbers PL0782, PL0825, and HS0492, revealed that staff who provided services to consumers did not meet the education requirement for such services. Services under the BMA program must be provided by staff with a Bachelor's degree. The lack of requisite qualifications resulted in overbillings in the amount of \$11,020 to FDLRC, KRC, NBRC, NLACRC, RCEB, SARC and SGPRC.

Finding 15: Client/Parent Support Behavior Intervention Training – Unsupported Billings

In response to DDS' audit report, CARD submitted additional documentation to support the billings and therefore the finding was resolved. DDS will not pursue Finding 15 of this audit.

The total of the findings identified in this audit amounts to \$526,280, which 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 CARD's programs were compliant with the W&I Code, California Code of Regulations (CCR), Title 17, State and Federal laws and regulations and the regional centers' contracts with CARD for the period of July 1, 2013, through June 30, 2014.

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 CARD, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of CARD'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 CARD complied with W&I Code and CCR, Title 17. Any complaints that DDS' Audit Section was aware of regarding non-compliance with laws and regulations were also reviewed and addressed during the course of the audit.

The audit scope was determined by reviewing the programs and services provided to 15 regional centers that utilized CARD's services during the audit period. DDS audited services provided to all the 15 regional centers: ACRC, ELARC, FDLRC, HRC, IRC, KRC, NBRC, NLACRC, RCEB, SARC, SCLARC, SDRC, SGPRC, TCRC, and WRC. These 15 regional centers were chosen due to the large volume of services utilized by the centers as measured by purchase of service (POS) expenditures.

CARD provided seven different types of services, of which DDS audited five. Services chosen were based on the amount of POS expenditures invoiced by CARD. By analyzing the information received during a pre-audit meeting with the vendor, an internal control questionnaire, and a risk analysis, it was determined that a two-month sample period

would be sufficient to fulfill the audit objectives. However, the audit finding amounts for the two months necessitated an expansion by 10 months to encompass the entire fiscal year of 2013-14.

Applied Behavior Analysis and Training Programs

During the audit period, CARD operated three Applied Behavior Analysis (ABA) Programs and four Training Programs. The audit included the review of three of CARD's ABA programs and two training programs. Testing was done for the entire fiscal year of 2013 - 2014. The programs, vendor numbers, and service codes audited are listed below:

- Adaptive Skills Trainer; Vendor Numbers PK3560 and PL0363; Service Code 605
- Behavior Management Consultant (ABA); Vendor Numbers HS0492, P24730, P72859, PL0363, and PM0340; Service Code 620
- Client/Parent Support Behavior Intervention Training; Vendor Numbers PA0954, PL1312, and PQ9621; Service Code 048
- Behavior Management Assistant (ABA); Vendor Numbers HS0492, PL0782, and PL0825; Service Code 615
- Behavior Analyst (ABA); Vendor Numbers PL0783 and PL0824; Service Code 612

Methodology

The following methodology was used by DDS to ensure the audit objectives were met. The methodology was designed to obtain a 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:

- Reviewed vendor files for contracts, rate letters, program designs, POS authorizations, and correspondence pertinent to the review.
- Interviewed regional center staff for vendor background information to obtain insight into the vendor's operations.
- Interviewed vendor staff and management to gain an understanding of its accounting procedures and processes for regional center billing.
- Obtained and reviewed the vendor's internal control questionnaire.
- Reviewed 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.
- Analyzed the vendor's attendance/service records to determine if the appropriate level of staffing was provided.

- Interviewed the vendor's Executive Director, General Counsel, Audit and Compliance Manager, and Program Coordinators for vendor background information, to gain an understanding of CARD's accounting procedures and financial reporting process. Additionally, five employees were interviewed for corroborative evidence on processes and procedures put in place at CARD for the provision of services to consumers and adherence by staff.

CONCLUSION

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

VIEWS OF RESPONSIBLE OFFICIALS

DDS issued a draft audit report on January 11, 2022. The findings in the report were discussed at an exit conference, via Zoom, with CARD on January 26, 2022. Subsequent to the exit conference, on May 5, 2022, CARD provided additional source documentation to support its billings to the regional centers. CARD disagreed with the findings.

RESTRICTED USE

This report is solely for the information and use of DDS, Department of Health Care Services, ACRC, ELARC, FDLRC, HRC, IRC, KRC, NBRC, NLACRC, RCEB, SARC, SCLARC, SDRC, SGPRC, TCRC, WRC and CARD. This restriction is not intended to limit distribution of this report, which is a matter of public record.

FINDINGS AND RECOMMENDATIONS

Finding 1: Adaptive Skills Trainer Program – Unsupported Billings

The review of CARD's AST program, Vendor Numbers PL0363 and PK3560, for the audit period of July 1, 2013, through June 30, 2014, revealed that CARD had unsupported billings for services billed to FDLRC, KRC, NLACRC, and TCRC. Unsupported billings occurred due to a lack of appropriate documentation to support the units of service billed to the regional centers and non-compliance with the CCR, Title 17.

DDS reviewed the direct care service hours documented on the Parental Verification for Receipt of Behavioral Services (DS 5862 forms), which were the only documents CARD provided showing the hours of service provided, and compared those hours to the direct care service hours billed to FDLRC, KRC, NLACRC, and TCRC. DDS noted that the direct care service hours on the DS 5862 forms were 32 less than the direct care service hours billed to the regional centers. CARD was not able to provide appropriate supporting documentation for 32 hours of service billed. The lack of documentation resulted in unsupported billings to the regional centers in the amount of \$1,580, which is due back to DDS. (See Attachment A)

W&I Code, Section 4648.1 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) (3) and (10) state:

- “(a) All vendors shall:
 - (3) Maintain records of services provided to consumers in sufficient detail to verify delivery 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) state:

- “(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:

CARD must reimburse to DDS \$1,580 for the unsupported billings. In addition, CARD should comply with the CCR, Title 17 as stated above to ensure proper documentation is maintained to support the amounts billed to the regional centers.

Vendor’s Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 1. See Attachment D for the full text of vendor’s response to the draft audit report and Attachment E for DDS’ evaluation of vendor’s response.

Finding 2: Adaptive Skills Trainer Program – Overbillings

The review of CARD’s AST program, Vendor Numbers PL0363 and PK3560, for the audit period of July 1, 2013, through June 30, 2014, revealed that CARD overbilled for services billed to ELARC, FDLRC, IRC, KRC, NLACRC, RCEB, SGPRC, TCRC, and WRC.

DDS reviewed the direct care service hours documented on the DS5862 forms and compared those hours to the direct care service hours billed to the regional centers. DDS found that CARD overbilled the regional centers by \$116,364 for 2,330 hours of service that were provided by two or more employees to the same consumer during the same or overlapping hours. CARD’s program designs provided for a staff to-consumer ratio as one staff to one consumer (1:1) for the AST program. DDS did allow some instances of two staff providing service to one consumer where one was a Supervisor/Lead staff with higher credentials.

CARD overbilled the regional centers for a total of 2,330 hours. This resulted in an overbilled amount of \$116,364, which is due back to DDS. (See Attachment B)

W&I Code, Section 4648.1 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) (3) and (10) state:

“(a) All vendors shall:

(2) Maintain records of services provided to consumers in sufficient detail to verify delivery 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...”

(13) Comply with applicable staffing ratio requirements;”

Recommendation:

CARD must reimburse DDS \$116,364, for the overbillings. In addition, CARD should develop and implement policies and procedures to ensure adherence to the program’s staffing ratio of 1:1 staff to consumer.

Vendor’s Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 2. See Attachment D for the full text of vendor’s response to the draft audit report and Attachment E for DDS’ evaluation of vendor’s response.

Finding 3: Behavior Management Consultant – Overbillings

The review of CARD’s BMC program, Vendor Numbers P24730, PL0363, P72859, HS0492 and PM0340, for the audit period of July 1, 2013, through June 30, 2014, revealed that CARD overbilled for services billed to ELARC, FDLRC, HRC, IRC, NBRC, RCEB, RCOC, SCLARC, SDRC, and WRC.

DDS reviewed the direct care service hours documented on the DS5862 forms and compared those hours to the direct care service hours billed to the regional centers. DDS found that CARD overbilled the regional centers by

\$79,579 for 1,534 hours of service that were provided by two or more employees to the same consumer during the same or overlapping hours. CARD's program designs provided for a staff to-consumer ratio as one staff to one consumer (1:1) for the BMC program. DDS did allow some instances of two staff providing service to one consumer where one was a Supervisor/Lead staff with higher credentials.

CARD overbilled the regional centers by 1,534 hours of service. This resulted in an overbilled amount of \$79,579, which is due back to DDS. (See Attachment B)

W&I Code, Section 4648.1 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) (3) and (10) state:

- “(a) All vendors shall:
 - (3) Maintain records of services provided to consumers in sufficient detail to verify delivery 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.
 - (13) Comply with applicable staffing ratio requirements;”

Recommendation:

CARD must reimburse to DDS \$79,579 for the overbillings. In addition, CARD should develop and implement policies and procedures to ensure proper adherence to the program's staffing ratio of 1:1 staff to consumer.

Vendor's Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 3. See Attachment D for the full text of vendor's response to the draft audit report and Attachment E for DDS' evaluation of vendor's response.

Finding 4: Behavior Management Consultant – Unsupported Billings

The review of CARD's BMC program, Vendor Numbers P24730, P72859, HS0492 and PM0340 for the audit period of July 1, 2013, through June 30, 2014, revealed that CARD had unsupported billings for services billed to NBRC, RCOC, SDRC, and WRC. Unsupported billings occurred due to a lack of appropriate documentation to support the units of service billed to the regional centers and noncompliance with CCR, Title 17.

DDS reviewed the direct care service hours documented on the DS 5862 forms, which were the only documents CARD provided showing the hours of service provided, and compared those hours to the direct care service hours billed to NBRC, RCOC, SDRC, and WRC. DDS noted that the direct care service hours on the DS 5862 forms were 365 less than the direct care service hours billed to the regional centers. CARD was not able to provide appropriate supporting documentation for 365 hours of services billed. The lack of documentation resulted in unsupported billings to the regional centers in the amount of \$18,886, which is due back to DDS. (See Attachment A) W&I Code, Section 4648.1 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) (3) and (10) state:

- “(a) All vendors shall:
 - (3) Maintain records of services provided to consumers in sufficient detail to verify delivery 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) state:

- “(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.”

W&I Code Section 4686.31. states:

- “(1) The department shall develop and post a standard form for vendors to complete and provide to the family for signature. The form shall include, but not be limited to, the name and title of the vendor, the vendor identification number, the name of the consumer, the unique client identifier, the location of the service, the date and start and end times of the service, and a description of the service provided. The form shall also include instructions for the parents or legally appointed guardians to contact the regional center service coordinator immediately if they are unable to sign the form.
- (3) The vendor shall provide the parents or legally appointed guardians of a minor consumer with the department form to sign. The form shall be signed and dated by the parents or legally appointed guardians of a minor consumer and be submitted to the vendor providing services within 30 days of the month in which the services were provided.
- (4) The vendor shall submit the completed forms to the regional center together with the vendor’s invoices for the services provided.”

Recommendation:

CARD must reimburse to DDS \$18,886 for the unsupported billings. In addition, CARD should comply with the W&I Code, Section 4686.31 and CCR, Title 17 as stated above to ensure that proper documentation is maintained to support the amounts billed to the regional centers.

Vendor’s Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 4. See Attachment D for the full text of vendor’s response to the draft audit report and Attachment E for DDS’ evaluation of vendor’s response.

Finding 5: Behavior Management Consultant – Lack of Requisite Qualifications by Staff

The review of CARD's BMC program, Vendor Numbers P24730, PL0363, P72859, HS0492 and PM0340, revealed that some of the staff who provided services to consumers for the audit period of July 1, 2013, through June 30, 2014, did not meet the qualifications required by CCR, Title 17 and CARD's program designs for the BMC program. Per the regulations, services under the BMC program must be provided by licensed personnel in specific areas. CARD's program designs also require the One-to-One Services to be provided by someone with a Bachelor's degree.

Based on the review of the DS 5862 forms and employees' credentials, DDS determined that 6,760 of the 129,720 hours of service that were billed to the regional centers were provided by staff with a High School (HS) Diploma. DDS further noted that CARD billed for all the hours at the rates of \$52.55 (HRC, RCEB, RCOC, SCLARC, WRC), \$50.87 (ELARC, FDLRC, SDRC), \$50.00 (NBRC) and \$38.01 (IRC) per hour for the audit period. DDS allowed billings at these rates for the 122,960 hours of service that were provided to consumers by CARD's staff who had the required credentials. CCR, Title 17 requires staff with a HS Diploma to provide their services as Behavior Management Technicians, Service Code 616. The rate for this Service Code is 75 percent of the median rate for Service Code 615. Based on this, CARD should have been vendorized for Service Code 616 and billed the regional centers at the rates of \$39.41 (HRC, RCEB, RCOC, SCLARC, WRC), \$38.15 (ELARC, FDLRC, SDRC) \$37.50 (NBRC) and \$28.51 (IRC) per hour. DDS used these rates to calculate the billable amounts for the 6,760 hours provided by staff with a HS Diploma and determined that CARD overbilled, HRC, RCEB, RCOC, SCLARC, WRC, ELARC, FDLRC, SDRC, NBRC, and IRC by \$79,853, which is due back to DDS. (See Attachment C)

W&I Code, Section 4648.1 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 54342(a) (13) states:

- “(a) The following service codes shall be assigned to the following types

of services:

(13) Behavior Management Consultant - Service Code 620.

A regional center shall classify a vendor as a behavior management consultant if the vendor designs and/or implements behavior modification intervention services and meets the following requirements:

1. Individuals vendored as a behavior management consultant prior to, or as of, December 31, 2006, that have not previously completed twelve semester units in applied behavior analysis, shall have until December 31, 2008 to complete twelve semester units in applied behavior analysis and possess a license and experience as specified in 3. through 7. below.
 2. Individuals vendored as a behavior management consultant on, or after, January 1, 2007, shall, prior to being vendored, have completed twelve semester units in applied behavior analysis and possess a license and experience as specified in 3. through 7. below.
 3. Possesses a valid license as a psychologist from the Medical Board of California or Psychology Examining Board; or
 4. Is a Licensed Clinical Social Worker pursuant to Business and Professions Code, Sections 4996 through 4998.7; or
 5. Is a Licensed Marriage and Family Therapist pursuant to Business and Professions Code, Sections 4980 through 4984.7; or
 6. Is any other licensed professional whose California licensure permits the design and/or implementation of behavior modification intervention services.”
- (b) The following service code shall be assigned to the following type of service: Behavior Management Technician (Paraprofessional) - Service Code 616...

The Behavior Management Technician (Paraprofessional) shall practice under the direct supervision of a certified Behavior Analyst or a Behavior Management Consultant who is within the same vendored group practice. The Behavior Management Technician (Paraprofessional) shall meet the following requirements:

- (1) Has a High School Diploma or the equivalent, has completed 30 hours of competency-based training designed by a certified behavior analyst, and has six months experience working with persons with developmental disabilities; ...”

CCR, Title 17, Section 57332(c) (12) states:

“(c) The maximum rate of reimbursement for the following medical services shall be as specified below:

- (12) Behavior Management Technician (Paraprofessional) - Service Code 616

Regional centers shall contract for Behavior Management Technician (Paraprofessional) services at no more than 75 percent of the regional center's median hourly rate for Behavior Management Assistant - Service Code 615, or the statewide median rate for Behavior Management Assistant - Service Code 615, whichever is lower.”

Recommendation:

CARD must reimburse to DDS \$79,853 for the overbillings. In addition, CARD should ensure that staff providing services under the BMC program meet the qualifications for this service. Furthermore, CARD should be vendorized for the appropriate Service Code that is commensurate with the staff’s qualifications.

Vendor’s Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 5. See Attachment D for the full text of vendor’s response to the draft audit report and Attachment E for DDS’ evaluation of vendor’s response.

Finding 6: Adaptive Skills Trainer Program – Lack of Requisite Qualifications by Staff

The review of CARD’s AST program, Vendor Numbers PL0363 and PK3560, for the audit period of July 1, 2013, through June 30, 2014, revealed that some of the staff who provided services to the regional centers’ consumers did not meet the education requirement per the CCR, Title 17 and CARD’s program designs for the AST program. Per the regulations, services under the AST program must be provided by personnel who hold a Master’s degree. CARD’s program designs require staff providing services under the AST program to hold a Bachelor’s degree or higher credentials.

Based on the review of the DS 5862 forms and employees' credentials, DDS determined that 5,782 of the 61,893 hours of service that were billed to the regional centers were provided by staff with a HS Diploma. DDS further noted that CARD billed for all the hours at the rates of \$52.55 (WRC), \$52.40 (FDLRC, IRC, NLACRC and RCEB), and \$46.35 (KRC). DDS allowed billings at these rates for the 56,111 hours of service that were provided to consumers by CARD's staff who had the required credentials. DDS lowered the rates for the 5,785 hours provided by staff with a HS Diploma by 25 percent, as DDS considers these rates as reasonable. Based on this, CARD should have billed the regional centers at the rates of \$39.41 (WRC), \$39.30 (FDLRC, IRC, NLACRC and RCEB) and \$34.76 (KRC). DDS used these rates to calculate the billable amounts and determined that CARD overbilling WRC, FDLRC, IRC, NLACRC, RCEB, and KRC by \$69,100, which is due back to DDS. (See Attachment C)

W&I Code, Section 4648.1 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 54342(a) and (b) state:

- “(a) the following service codes shall be assigned to the following types of services:) –
 - (3) Adaptive Skills Trainer - Service Code 605. A regional center shall classify a vendor as an adaptive skills trainer if the vendor possesses the skills, training and education necessary to enhance existing consumer skills. An adaptive skills trainer may also remedy consumer skill deficits in communication, social function or other related skill areas and shall meet the following requirements:
 - A) Possess a Master's degree in one of the following: education, psychology, counseling, nursing, social work, applied behavior analysis, behavioral medicine, speech and language, or rehabilitation;

Paragraph IX of CARD's Program Design states in part:

“Staffing

Minimum qualifications for this position: All therapists are working towards or already hold a Bachelor's degree in Psychology, Education, Child Development, Social Work or other related fields.”

Recommendation:

CARD must reimburse DDS \$69,100 for the overbillings. In addition, CARD should ensure that only individuals who possess the required credentials shall perform the functions of an Adaptive Skills Trainer. Furthermore, CARD should be vendorized for a Service Code that is commensurate with the staff's qualifications.

Vendor's Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 6. See Attachment D for the full text of vendor's response to the draft audit report and Attachment E for DDS' evaluation of vendor's response.

Finding 7: Client/Parent Support Behavior Intervention Training – Overbillings

The review of CARD's CPSBIT program, Vendor Number PA0954, for the audit period of July 1, 2013, through June 30, 2014, revealed that CARD overbilled for services billed to ACRC and NBRC.

DDS reviewed the direct care service hours documented on the DS5862 forms and compared those hours to the direct care service hours billed to the regional centers. DDS found that CARD overbilled the regional centers by \$34,642 for 747 hours of service that were provided by two or more employees to the same consumer during the same or overlapping hours. CARD's program designs provided for a staff to-consumer ratio as one staff to one consumer (1:1) for the CPSBIT program. DDS did allow some instances of two staff providing service to one consumer where one was a Supervisor/Lead staff with higher credentials.

CARD overbilled the regional centers for 747 hours of service. This resulted in an overbilled amount of \$34,642, which is due back to DDS.
(See Attachment B)

W&I Code, Section 4648.1 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) (3) and (10) state:

"(a) All vendors shall:

- (3) Maintain records of services provided to consumers in sufficient detail to verify delivery 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.
- (13) Comply with applicable staffing ratio requirements;"

Recommendation:

CARD must reimburse to DDS \$34,642 for the overbillings. In addition, CARD should develop and implement policies and procedures to ensure proper adherence to the program's staffing ratio of 1:1 staff to consumer.

Vendor's Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 7. See Attachment D for the full text of vendor's response to the draft audit report and Attachment E for DDS' evaluation of vendor's response.

Finding 8: Behavior Management Assistant – Overbillings

The review of CARD's BMA program, Vendor Numbers PL0782, PL0825, and HS0492, for the audit period July 1, 2013, through June 30, 2014, revealed that CARD overbilled for services to FDLRC, KRC, NBRC, NLACRC, SARC, SGPRC, and TCRC.

DDS reviewed the direct care service hours documented on the DS5862 forms and compared those hours to the direct care service hours billed to the regional centers. DDS found that CARD overbilled the regional centers by \$33,896 for 706 hours of service that were provided by two or more employees to the same consumer during the same or overlapping hours. CARD's program designs provided for a staff to-consumer ratio as one staff to one consumer (1:1) for the BMA programs. DDS did allow some instances of two staff providing service to one consumer where one was a Supervisor/Lead staff with higher credentials. CARD overbilled the regional

centers for 706 hours of service. This resulted in an overbilled amount of \$33,896, which is due back to DDS. (See Attachment B)

W&I Code, Section 4648.1 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) (3) and (10) state:

- “(a) All vendors shall:
 - (3) Maintain records of services provided to consumers in sufficient detail to verify delivery 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.
 - (13) Comply with applicable staffing ratio requirements;”

Recommendation:

CARD must reimburse to DDS \$33,896 for the overbillings. In addition, CARD should develop and implement policies and procedures to ensure proper adherence to the program’s staffing ratio of 1:1 staff to consumer.

Vendor’s Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 8. See Attachment D for the full text of vendor’s response to the draft audit report and Attachment E for DDS’ evaluation of vendor’s response.

Finding 9: Behavior Analyst – Overbillings

The review of CARD’s BA program, Vendor Numbers PL0783 for the audit period of July 1, 2013, through June 30, 2014, revealed that CARD overbilled for services billed to CVRC.

DDS reviewed the direct care service hours documented on the DS5862 forms and compared those hours to the direct care service hours billed to

CVRC. DDS found that CARD overbilled CVRC by \$33,462 for 742 hours of service that were provided by two or more employees to the same consumer during the same or overlapping hours. CARD's program designs provided for a staff to-consumer ratio as one staff to one consumer (1:1) for the BA program. DDS did allow some instances of two staff providing service to one consumer where one was a Supervisor/Lead staff with higher credentials.

CARD overbilled CVRC for 742 hours of service. This resulted in an overbilled amount of \$33,462, which is due back to DDS. (See Attachment B)

W&I Code, Section 4648.1 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) (3) and (10) state:

- “(a) All vendors shall:
 - (3) Maintain records of services provided to consumers in sufficient detail to verify delivery 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.
 - (13) Comply with applicable staffing ratio requirements;”

Recommendation:

CARD must reimburse to DDS \$33,462 for the overbillings. In addition, CARD should develop and implement policies and procedures to ensure proper adherence to the program's staffing ratio of 1: 1 staff to consumer.

Vendor's Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 9. See Attachment D for the full text of vendor's response to the draft audit report and Attachment E for DDS' evaluation of vendor's response.

Finding 10: Behavior Analyst – Lack of Requisite Qualifications by Staff

The review of CARD's BA program, Vendor Numbers PL0783 for the audit period of July 1, 2013, through June 30, 2014, revealed that some of the staff who provided services to the consumers of CVRC and FDLRC did not meet the education requirements for such services. Services under the BA program must be provided by staff who are Board Certified Behavior Analysts (BCBA).

Based on the review of the DS 5862 forms and employees' credentials, DDS determined that of the 33,633 hours of service that were billed to the regional centers, 32,639 hours were provided by staff with a BCBA or a Master's degree, 449 were provided by staff with a Bachelor's degree and 545 hours were provided by staff with a HS Diploma. DDS further noted that CARD billed for the 545 hours that were provided by staff with a HS diploma at the rate of \$32 and the remaining 33,088 hours at the rate of \$75. DDS allowed billings at the rate of \$75 per hour for services that were provided to consumers by CARD's BCBA's and staff with a Master's degree. DDS lowered the rates for the hours of service that were provided by staff who did not have the required credentials and determined that CARD overbilled the regional centers as follows:

- Overbillings of \$18,921 for 449 hours occurred when CARD billed CVRC and FDLRC at the rate of \$75 per hour for services that were provided by staff with a Bachelor's degree. CCR, Title 17 requires staff with a Bachelor's degree to provide their services as Behavior Management Assistants (BMA), Service Code 615. For the audit period, CARD's BMA rates were \$52.40 for FDLRC and \$32 for CVRC. DDS used these rates to calculate the billable amount for the hours that were provided by staff with a Bachelor's degree and determined that CARD overbilled the regional centers by \$18,921.
- Overbillings of \$4,360 for 545 hours occurred when CARD billed CVRC at the rate of \$32 per hour for services provided by staff with a HS Diploma. CCR, Title 17 requires staff with a HS Diploma to provide their services as a Behavior Management Technicians, Service Code 616. The rate for this Service Code is 75 percent of the median rate for Service Code 615. Based on this, CARD should have been vendorized for Service Code 616 and billed CVRC at the rate of \$24. DDS used this rate to calculate the billable amount for the hours

of service that were provided by staff with a HS Diploma and determined that CARD overbilled CVRC by \$4,360.

The overbilled hours totaled 994 hours for a total overbilled amount of \$23,281, which is due back to DDS. (See Attachment C)

W&I Code, Section 4648.1 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 54342 (a)(11) and (b) state:

- “(a) The following service codes shall be assigned to the following types of services:
 - (11) Behavior Analyst - Service Code 612. Behavior Analyst... .
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.
 - (12) Behavior Management Assistant - Service Code 615. A regional center shall classify a vendor as a behavior management assistant, ... under direct supervision of a Behavior Analyst or Behavior Management Consultant, and meets either of the following requirements:
 - (A) Possesses a Bachelor of Arts or Science Degree ...
- (b) The following service code shall be assigned to the following type of service: Behavior Management Technician (Paraprofessional) - Service Code 616...

The Behavior Management Technician (Paraprofessional) shall practice under the direct supervision of a certified Behavior Analyst or a Behavior Management Consultant who is within the same vendored group practice. The Behavior Management Technician (Paraprofessional) shall meet the following requirements:

- (1) Has a High School Diploma or the equivalent, has completed 30 hours of competency-based training designed by a certified

behavior analyst, and has six months experience working with persons with developmental disabilities;...”

CCR, Title 17, Section 57332(c) (12) states:

“(c) The maximum rate of reimbursement for the following medical services shall be as specified below:

(12) Behavior Management Technician (Paraprofessional) –
Service Code 616

Regional centers shall contract for Behavior Management Technician (Paraprofessional) services at no more than 75 percent of the regional center's median hourly rate for Behavior Management Assistant - Service Code 615, or the statewide median rate for Behavior Management Assistant - Service Code 615, whichever is lower.”

Recommendation:

CARD must reimburse to DDS \$23,281 for the overbillings. In addition, CARD should ensure that staff providing services under the BA program meet the qualifications for this service. Furthermore, CARD should be vendorized for an appropriate Service Code that is commensurate with the staff's qualifications.

Vendor's Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 10. See Attachment D for the full text of vendor's response to the draft audit report and Attachment E for DDS' evaluation of vendor's response.

Finding 11: Behavior Management Assistant – Unsupported Billings

The review of CARD's BMA program, Vendor Numbers PL0825 and PL0782, for the audit period July 1, 2013, through June 30, 2014, revealed that CARD had unsupported billings for services billed to KRC, NLACRC, TCRC, and WRC. Unsupported billings occurred due to a lack of appropriate documentation to support the units of service billed to the regional centers and noncompliance with CCR, Title 17.

DDS reviewed the direct care service hours documented on the DS 5862 forms, which were the only documents CARD provided showing the hours of service provided, and compared those hours to the direct care service hours billed to KRC, NLACRC, TCRC, and WRC. DDS noted that the direct care service hours on the DS 5862 forms were 199 hours less than the direct care

service hours billed to the regional centers. CARD was not able to provide appropriate supporting documentation for 199 hours of services billed. The lack of documentation resulted in unsupported billings to the regional centers in the amount of \$9,548, which is due back to DDS. (See Attachment A)

W&I Code, Section 4648.1 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) (3) and (10) state:

- “(a) All vendors shall:
 - (3) Maintain records of services provided to consumers in sufficient detail to verify delivery 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) state:

- “(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:

CARD must reimburse to DDS \$9,548 for the unsupported billings. In addition, CARD should comply with the W&I Code, Section 4686.31 and CCR, Title 17 as stated above to ensure that proper documentation is maintained to support the amounts billed to the regional centers

Vendor's Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 11. See Attachment D for the full text of vendor's response to the draft audit report and Attachment E for DDS' evaluation of vendor's response.

Finding 12: Behavior Analyst – Unsupported Billings

The review of CARD's BA program, Vendor Numbers PL0783 and PL0824 for the audit period of July 1, 2013, through June 30, 2014, revealed that CARD had unsupported billings for services billed to NLACRC, SGPRC, and TCRC. Unsupported billings occurred due to a lack of appropriate documentation to support the units of service billed to the regional centers and noncompliance with CCR, Title 17.

DDS reviewed the direct care service hours documented on the DS 5862 forms, which were the only documents CARD provided showing the hours of service provided, and compared those hours to the direct care service hours billed to NLACRC, SGPRC, and TCRC. DDS noted that the direct care service hours on the DS 5862 forms were 42 hours less than the direct care service hours billed to the regional centers. CARD was not able to provide appropriate supporting documentation for 42 hours of services billed. The lack of documentation resulted in unsupported billings to the regional centers in the amount of \$3,113, which is due back to DDS. (See Attachment A)

W&I Code, Section 4648.1 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) (3) and (10) state:

- “(a) All vendors shall:
 - (3) Maintain records of services provided to consumers in sufficient detail to verify delivery 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) state:

- “(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.”

W&I Code Section 4686.31. states:

- (1) The department shall develop and post a standard form for vendors to complete and provide to the family for signature. The form shall include, but not be limited to, the name and title of the vendor, the vendor identification number, the name of the consumer, the unique client identifier, the location of the service, the date and start and end times of the service, and a description of the service provided. The form shall also include instructions for the parents or legally appointed guardians to contact the regional center service coordinator immediately if they are unable to sign the form.
- (2) The vendor shall provide the parents or legally appointed guardians of a minor consumer with the department form to sign. The form shall be signed and dated by the parents or legally appointed guardians of a minor consumer and be submitted to the vendor providing services within 30 days of the month in which the services were provided.
- (3) The vendor shall submit the completed forms to the regional center together with the vendor’s invoices for the services provided.”

Recommendation:

CARD must reimburse to DDS \$3,113 for the unsupported billings. In addition, CARD should comply with the W&I Code, Section 4686.31 and CCR, Title 17 as stated above to ensure that proper documentation is maintained to support the amounts billed to the regional centers.

Vendor’s Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 12. See Attachment D for the full text of vendor’s response to the draft audit report and Attachment E for DDS’ evaluation of vendor’s response.

Finding 13: Client/Parent Support Behavior Intervention Training – Lack of Requisite Qualifications by Staff

The review of CARD's CPSBIT program, Vendor Number PA0954, for the audit period of July 1, 2013, through June 30, 2014, revealed that some of the staff who provided services to the consumers of ACRC and NBRC did not meet the education requirement specified in CARD's program design. Per the program design, staff providing services under the CPSBIT program are required to hold a Bachelor's degree or higher credentials.

Based on the review of the DS 5862 forms and employees' credentials, DDS determined that staff with a HS Diploma provided 1,032 of the 14,693 hours of service that were billed to ACRC and NBRC. DDS further noted that CARD billed for all the hours at the rate of \$46.35. DDS allowed billings at this rate for services provided by staff with the required credentials and lowered the rate for the 1,032 hours of service provided by staff with a HS Diploma by 25 percent as DDS considers this rate reasonable. Based on this, CARD should have billed the regional centers at the rate of \$34.76. DDS used this rate to calculate the billable amount and determined that CARD overbilled the regional centers by \$11,956, which is due back to DDS. (See Attachment C)

W&I Code, Section 4648.1 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.”

Paragraph IX of CARD's Program Design states in part:

“Staffing

Minimum qualifications for this position: All therapists at a minimum hold a Bachelor's degree in Psychology, Education, Child Development, Social Work or other related fields.”

Recommendation:

CARD must reimburse to DDS \$11,956 for the overbillings. In addition, CARD should ensure that only individuals who possess the required credentials shall perform the training functions under the CPSBIT program. Furthermore, CARD should be vendorized for an appropriate Service Code that is commensurate with the staff's qualifications.

Vendor's Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 13. See Attachment D for the full text of vendor's response to the draft audit report and Attachment E for DDS' evaluation of vendor's response.

Finding 14: Behavior Management Assistant – Lack of Requisite Qualifications by Staff

The review of CARD's BMA program, Vendor Numbers PL0782, PL0825, and HS0492, for the audit period July 1, 2013, through June 30, 2014, revealed that some of the staff who provided services to the regional centers' consumers did not meet the education requirement as specified in the CCR, Title 17. Per the regulations, staff providing services under the BMA program are required to hold a Bachelor's degree.

Based on the review of the DS 5862 forms and employees' credentials, DDS determined that 958 of the 11,967 hours of service that were billed to the regional centers were provided by staff with a HS Diploma. DDS further noted that CARD billed for the hours of service that were provided to the regional centers' consumers at the rates of \$52.40 (FDLRC, KRC, NLACRC, RCEB, and SGPRC) and \$35 (NBRC and SARC). DDS allowed billings at these rates for services provided by staff with the required credentials. CCR Title 17 requires staff with a HS Diploma to provide their services as Behavior Management Technicians, Service Code 616. The rate for this Service Code is 75 percent of the median rate for Service Code 615. Based on this CARD should have been vendorized for Service Code 616 and billed the regional centers at the rates of \$39.30 (FDLRC, KRC, NLACRC, RCEB, and SGPRC) and \$26.25 (NBRC and SARC). DDS used these rates to calculate the billable amounts for the hours of service provided by staff with a HS Diploma and determined that CARD overbilled the regional centers by \$11,020, which is due back to DDS. (See Attachment C)

W&I Code, Section 4648.1 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 54342(a) (12) and (b) states:

“(a) The following service codes shall be assigned to the following types of services:

(12) Behavior Management Assistant - Service Code 615. A regional center shall classify a vendor as a behavior management assistant if the vendor designs and/or implements behavior modification intervention services under the direct supervision of a behavior management consultant; or if the vendor 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, under direct supervision of a Behavior Analyst or Behavior Management Consultant, and meets either of the following requirements:

(A) Possesses a Bachelor of Arts or Science degree...

(b) The following service code shall be assigned to the following type of service: Behavior Management Technician (Paraprofessional) Service Code 616...

The Behavior Management Technician (Paraprofessional) shall practice under the direct supervision of a certified Behavior Analyst or a Behavior Management Consultant who is within the same vendored group practice. The Behavior Management Technician (Paraprofessional) shall meet the following requirements:

(1) Has a High School Diploma or the equivalent, has completed 30 hours of competency-based training designed by a certified behavior analyst, and has six months experience working with persons with developmental disabilities;...”

CCR, Title 17, Section 57332(c) (12) states:

“(c) The maximum rate of reimbursement for the following medical services shall be as specified below:

(12) Behavior Management Technician (Paraprofessional) - Service Code 616

Regional centers shall contract for Behavior Management Technician (Paraprofessional) services at no more than 75 percent of the regional center's median hourly rate for

Behavior Management Assistant - Service Code 615, or the statewide median rate for Behavior Management Assistant - Service Code 615, whichever is lower.”

Recommendation:

CARD must reimburse DDS \$11,020 for the overbillings. In addition, CARD should ensure that staff providing services under the BMA program meet the qualifications for this service. Furthermore, CARD should be vendorized for an appropriate Service Code that is commensurate with the staff’s qualifications.

Vendor’s Response:

CARD stated in the response dated April 29, 2022, that CARD disagreed with the finding 14. See Attachment D for the full text of vendor’s response to the draft audit report and Attachment E for DDS’ evaluation of vendor’s response.

Finding 15: Client/Parent Support Behavior Intervention Training – Unsupported Billings

In response to DDS’ draft audit report, CARD submitted additional documentation to support its billings to the regional centers, which has resolved this finding.

ATTACHMENTS A-C

CENTER FOR AUTISM AND RELATED DISORDERS

To request a copy of the attachments for this audit report, please contact the DDS Audit Section at (916) 654-3695.

ATTACHMENT D – VENDOR’S RESPONSE
CENTER FOR AUTISM AND RELATED DISORDERS

To request a copy of the vendor’s response to the audit findings, please contact the DDS Audit Section at (916) 654-3695.

ATTACHMENT E – DDS’ EVALUATION OF CARD’S RESPONSE

DDS evaluated CARD’s written response to the draft audit report and determined that CARD did not agree with the draft audit report findings. DDS will only address assertions pertinent to the facts of the audit findings. Below is DDS’ evaluation of CARD’s response to the specific findings.

In addition, DDS responds to the issue raised by CARD concerning the timeliness of the draft audit report. The sixty-day timeline provided in California Code of Regulations (CCR), title 17, section 50606, subdivision (d) is only directory in nature because the regulation does not state, nor even suggest, any penalty for the delay in processing a draft audit report. As such, a delay in providing the draft audit report does not nullify the results of the audit. In addition, vendors are required to maintain records of services provided for a minimum of five years from the date of final payment for the fiscal year in which services were rendered or until audit findings have been resolved, whichever is longer. (CCR, tit. 17, § 54326.) Therefore, CARD should have all records DDS relied upon in reaching its conclusions. Nevertheless, should CARD request an administrative review of the final audit report, DDS will work with CARD to make necessary records available for inspection at the DDS headquarters, if desired.

Finding 1: Adaptive Skills Trainer – Unsupported Billings

CARD stated that it *“disputes the accuracy of these findings. There is appropriate documentation to support the units of service billed to the regional centers. Along with this response, CARD is providing documentation to support the invoices in question.”*

DDS reviewed the documentation that CARD submitted to support some of its billings to the regional centers. DDS allowed an additional 6,693 hours, which reduced the unsupported hours from 6,725 to 32 for the 12 sampled months. Due to this, there was a reduction of the finding amount from \$332,710 to \$1,580, which is due back to DDS. (See Attachment A)

Finding 2: Adaptive Skills Trainer – Overbillings

On page 42 in the first paragraph under the *“Findings 2,3,7,8,9 – Overbillings”* section, CARD stated, *“What DDS refers to as “overbilling” are billing entries for clinical meetings that are contemplated by the program designs and required by the regional centers.”*

DDS disagrees with CARD’s statement because some of the overbillings were due to CARD’s non-compliance with some sections of its program design. Per Section VI of the AST program design, *“the service will provide a 1:1 ratio with either the family, in the case of parent training or the consumer, in the case of direct ABA intervention.”*

ATTACHMENT E – DDS’ EVALUATION OF CARD’S RESPONSE

DDS reviewed the additional documentation provided by CARD and allowed an additional 533 hours. Of these, six hours were for clinical meetings. This reduced the overbilled hours from 2,863 to 2,330 and the overbilled amount from \$143,755 to \$116,364, which is due back to DDS. (See Attachment B)

Finding 3: Behavior Management Consultant – Overbillings

On page 42 in the first paragraph under the “*Findings 2,3,7,8,9 – Overbillings*” section, CARD stated, “*What DDS refers to as “overbilling” are billing entries for clinical meetings that are contemplated by the program designs and required by the regional centers.*”

DDS disagrees with CARD’s statement because some of the overbillings were due to CARD’s non-compliance with some sections of its program design. Per paragraph J of the BMC program design, “*the service will provide a 1:1 ratio with either the family, in the case of parent training or the consumer, in the case of direct discrete intervention.*”

DDS reviewed the additional documents provided by CARD and allowed an additional 1,013 hours. Of these, 432 hours were for clinical meetings. This reduced the overbilled hours from 2,547 to 1,534, and the overbilled amount from \$115,959 to \$79,579, which is due back to DDS. (See Attachment B)

Finding 4: Behavior Management Consultant – Unsupported Billings

CARD stated that it “*disputes the accuracy of these findings. There is appropriate documentation to support the units of service billed to the regional centers. Along with this response, CARD is providing documentation to support the invoices in question.*”

DDS reviewed the documentation that CARD submitted to support some of its billings to the regional centers for the sampled 12 months. The review resulted in the reduction of the unsupported hours from 2,323 to 365 and the finding amount from \$112,339 to \$18,886, which is due back to DDS. (See Attachment A)

Finding 5: Behavior Management Consultant – Lack of Requisite Qualifications by Staff

CARD stated, “*... it is clear that services were provided by appropriately trained staff, and no recoupment is warranted. CARD provided services in accordance with its program designs and in agreement with each regional center.*”

DDS disagrees with CARD’s statement. DDS did not disallow the services that were provided by staff with qualifications lower than a bachelor’s degree. Instead, DDS lowered

ATTACHMENT E – DDS’ EVALUATION OF CARD’S RESPONSE

the rate of such staff to ensure that payment for such services are commensurate with their lower qualifications. This is in line with the CCR, Title 17 which requires services provided by staff with a High School Diploma to be 75 percent of the rate that staff with a bachelor’s degree earn. Therefore, CARD must still reimburse to DDS \$79,853. (See Attachment C)

Finding 6: Adaptive Skills Trainer – Lack of Requisite Qualifications by Staff

CARD stated, “... *it is clear that services were provided by appropriately trained staff, and no recoupment is warranted. CARD provided services in accordance with its program designs and in agreement with each regional center.*”

DDS disagrees with CARD’s statement. Per CCR Title 17, an Adaptive Skills Trainer shall have a “*Master’s degree in education, psychology counseling, nursing, social work, applied behavior analysis, behavioral medicine, speech and language, or rehabilitation*” but some of CARD’s staff did not have this. DDS did not disallow the services that were provided by staff with a high school diploma. Instead, DDS lowered the rate of such staff to ensure that payments for such services are commensurate with the staff’s lower qualifications. This is in line with the CCR, Title 17, section 57332 (c)(12), which requires services provided by staff with a High School Diploma to be 75 percent of the rate of services provided by staff with a bachelor’s degree. Therefore, CARD must still reimburse to DDS \$69,100. (See Attachment C)

Finding 7: Client/Parent Support Behavior Intervention Training – Overbillings

On page 42 in the first paragraph under the “*Findings 2,3,7,8,9 – Overbillings*” section, CARD stated, “*What DDS refers to as “overbilling” are billing entries for clinical meetings that are contemplated by the program designs and required by the regional centers.*”

DDS disagrees with CARD’s statement because some of the overbillings were due to CARD’s non-compliance with some sections of its program design. Per Section I. of CARD’s CPSBIT program design, “*Parents may be trained in the 1:1 setting as well as the regularly scheduled clinic meetings with supervisor and CARD team therapist.*”

DDS reviewed additional documents provided by CARD and allowed an additional 143 hours. Of these, 79 hours were for clinical meetings. This reduced the overbilled hours from 890 to 747, and the overbilled amount from \$41,256 to \$34,642, which is due back to DDS. (See Attachment B)

ATTACHMENT E – DDS’ EVALUATION OF CARD’S RESPONSE

Finding 8: Behavior Management Assistant – Overbillings

On page 42 in the first paragraph under the “*Findings 2,3,7,8,9 – Overbillings*” section, CARD stated, “*What DDS refers to as “overbilling” are billing entries for clinical meetings that are contemplated by the program designs and required by the regional centers.*”

DDS disagrees with CARD’s statement because some of the overbillings were due to CARD’s non-compliance with some sections of its program design. Per the CARD’s BMA program design under the Staff and Consumer ratio section on page 14, “*The service will provide a 1:1 ratio with either the family, in the case of parent training, or the consumer, in the case of direct ABA intervention.*”

DDS reviewed additional documents provided by CARD and allowed an additional 112 hours. Of these, 25 hours were for clinical meetings. This reduced the overbilled hours from 818 to 706, and the overbilled amount from \$39,618 to \$33,896, which is due back to DDS. (See Attachment B)

Finding 9: Behavior Analyst – Overbillings

On page 42 in the first paragraph under the “*Findings 2,3,7,8,9 – Overbillings*” section, CARD stated, “*What DDS refers to as “overbilling” are billing entries for clinical meetings that are contemplated by the program designs and required by the regional centers.*”

DDS disagrees with CARD’s statement because some of the overbillings were due to CARD’s non-compliance with some sections of its program design. CVRC used NLACRC’s courtesy vendorization and had two Sub Codes, “CONSL” and “Tutor” in use under the BA program. For Sub Code “Tutor”, page 10 CARD’s BMA program design with NLARC states that “*the service will provide a 1:1 ratio with either the family, in the case of parent training or the consumer, I n the case of direct ABA intervention.*”

DDS reviewed the additional documents provided by CARD and allowed an additional 612 hours. Of these, nine hours were for clinical meetings. This reduced the overbilled hours from 1,354 to 742, and the overbilled amount from \$38,580 to \$33,462, which is due back to DDS. (See Attachment B)

Finding 10: Behavior Analyst – Lack of Requisite Qualifications by Staff

CARD stated that, “... *there was a discrepancy on the original service logs reviewed by DDS that indicated that NH only had a bachelor’s degree. “This is incorrect,” NH “received her MS degree in 2013.”* CARD provided a copy of NH’s Master’s degree together with its response.

ATTACHMENT E – DDS’ EVALUATION OF CARD’S RESPONSE

DDS reviewed the provided documents and allowed an additional 10 hours, which reduced the units of services provided by staff with lower qualifications from 1,004 to 994 hours. This resulted in the reduction of the finding amount from \$23,501 to \$23,281, which is due back to DDS. (See Attachment C)

Finding 11: Behavior Management Assistant – Unsupported Billings

CARD stated that it *“disputes the accuracy of these findings. There is appropriate documentation to support the units of service billed to the regional centers. Along with this response, CARD is providing documentation to support the invoices in question.”*

DDS reviewed the documentation that CARD submitted to support some of its billings to the regional centers for the sampled 12 months. The review resulted in the reduction of the unsupported hours from 362 to 199 and the finding amount from \$17,280 to \$9,548, which is due back to DDS. (See Attachment A)

Finding 12: Behavior Analyst – Unsupported Billings

CARD stated that it *“disputes the accuracy of these findings. There is appropriate documentation to support the units of service billed to the regional centers. Along with this response, CARD is providing documentation to support the invoices in question.”*

DDS reviewed the documentation that CARD submitted to support some of its billings to the regional centers for the sampled 12 months. The review resulted in the reduction of the unsupported hours from 225 to 42 and the finding amount from \$12,165 to \$3,113, which is due back to DDS. (See Attachment A)

Finding13: Client/Parent Support Behavior Intervention Training – Lack of Requisite Qualifications by Staff

CARD stated that, *“... it is clear that services were provided by appropriately trained staff, and no recoupment is warranted. CARD provided services in accordance with its program designs and in agreement with each regional center.”*

DDS disagrees with CARD’s statement. Under minimum qualifications for Therapist, CARD’s program design states that *“All therapists at a minimum hold a Bachelor’s Degree in Psychology, Education, Child Development, Social Work, or other related fields”*. DDS did not disallow the services that were provided by staff with lower qualifications than a Bachelor’s degree. Instead, DDS lowered the rate of such staff to ensure that payments for such services are commensurate with the staff’s lower

ATTACHMENT E – DDS’ EVALUATION OF CARD’S RESPONSE

qualifications. This is in line with the CCR, Title 17, section 57332 (c)(12), which requires services provided by staff with a High School Diploma to be 75 percent of the rate for services provided by staff with a Bachelor’s Degree. Thus, CARD must still reimburse to DDS \$11,956. (See Attachment C)

Finding 14: Behavior Management Assistant – Lack of Requisite Qualifications by Staff

CARD stated that, “... *it is clear that services were provided by appropriately trained staff, and no recoupment is warranted. CARD provided services in accordance with its program designs and in agreement with each regional center.*”

DDS disagrees with CARD’s statement. Per CCR Title 17, section 54342 (a) (12) (A). a Behavior Management Assistant shall have a “*Bachelor of Arts or Science degree*”. DDS did not disallow the services that were provided by staff with lower qualifications than a Bachelor’s degree. Instead, DDS lowered the rate of such staff to ensure payments for such services are commensurate with the staff’s lower qualifications. This is in line with the CCR, Title 17, section 57332 (c) (12), which requires services provided by staff with a High School Diploma to be 75 percent of the rate for services provided by staff with a Bachelor’s Degree. Thus, CARD must still reimburse to DDS \$11,020. (See Attachment C)

Finding 15: Client/Parent Support Behavior Intervention Training – Unsupported Billings

CARD stated that it “*disputes the accuracy of these findings. There is appropriate documentation to support the units of service billed to the regional centers. Along with this response, CARD is providing documentation to support the invoices in question.*”

DDS reviewed the provided documentation and determined that CARD was able to support its billings to the regional centers for the sampled 12 months. As a result, the amount of this finding was reduced from \$8,516 to \$0. Therefore, this issue is considered resolved.

Conclusion:

DDS made adjustments to Findings 1, 2, 3, 4, 7, 8, 9, 10, 11, 12 and 15 to reflect the additional documentation received. As a result, the total amount of the findings was reduced from \$1,057,608 to \$526,280 for July 2013 through June 2014.