
Auditor's Summary

Audit of the Office of Health Care Assurance's Adult Residential Care Homes Program

Report No. 18-18



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IN REPORT NO. 18-18, *Audit of the Office of Health Care Assurance's Adult Residential Care Homes Program*, we examined the Office of Health Care Assurance's (OHCA) relicensing process. That process is integral to OHCA's ability to ensure that care homes maintain certain quality of care standards to safeguard the health, safety, and welfare of care home residents. Relicensing is a time-consuming effort, which relies heavily on the judgment and discretion of the office's nurse consultants who inspect adult residential care homes (ARCHs) and expanded adult residential care homes (E-ARCHs) and identify deficiencies in quality of care standards.

What We Found

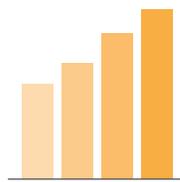
We found that OHCA renewed licenses without first completing the relicensing process, substituted much less rigorous unannounced care home visits for statutorily required inspections and issued licenses without even inspecting or visiting the facility. About half of the 214 care homes we sampled were allowed to operate in 2017 with either an expired license or a license hastily issued before all required steps of the relicensing process were completed. Of these, OHCA had yet to complete the inspection process from 2016 for 22 care homes. In 2017, eight care homes in our sample had 20 or more deficiencies with certain quality of care standards, but OHCA relicensed them before those deficiencies were resolved. Most of the time, OHCA simply renewed a care home's license.

In its 2018 report to the Legislature, OHCA stated that all deficiencies identified during an inspection must be corrected before a care home facility is relicensed. However, since OHCA does not conduct follow-up visits to verify implementation of the Plan of Correction, there is no way to determine if corrections have in fact been made. In 2017, 116 care homes in our sample were relicensed before the inspection process was completed.

By the Numbers Aging and ARCHs

479

Number of Hawai'i ARCH
and E-ARCH facilities.



3.7%

Hawai'i's average
annual growth rate of
elderly population from
April 2010 to July 2017.



17.8

Percentage of
Hawai'i's population of
1.43 million who are
considered "elderly,"
i.e., 65 years and
older, in 2017.

2,703*

Number of beds
in Hawai'i ARCHs
and E-ARCHs.



*According to the *Hawai'i Long-Term Care Ombudsman Program Federal Report* (October 1, 2015–September 30, 2016).

Source: Data compiled from Department of Business, Economic Development & Tourism, Hawai'i Population Characteristics 2017 and OHCA.

In addition, we found that OHCA has no written guidelines for enforcement if licensees cannot or will not comply with quality of care standards. For instance, OHCA neither ranks specific care home deficiencies according to severity nor does it have guidance on the number of deficiencies that would disqualify a care home from license renewal. This may at least partially explain why OHCA did not sanction or fine a single care home nor did it completely terminate a single care home license in the 10-year period from 2007 to 2017, even for care homes with substantial or repeat deficiencies.

Why Did These Problems Occur?

We found that OHCA's primary objective appears to support the continued operations of care homes, not to ensure the health, safety, or welfare of the facilities' residents as mandated by statute. Perhaps, as a result, we found that OHCA lacks the basic organizational infrastructure necessary to guide and support its relicensing activities. For instance, it has no uniform system to track inspections and review and update information. In addition, OHCA has no internal timelines or deadlines for each step of the relicensing process to ensure tasks are completed within a specific timeframe, and ultimately, before a care home's one-year license expires.

Why Do These Problems Matter?

"Assurance" is the "A" in OHCA. Assurance assumes that care home residents' health, safety, and welfare are protected. However, relicensing a care home before the inspection process is completed or doing so without verifying compliance does not provide assurance. And failure to fully define and use enforcement authority do not provide assurance. To the contrary, these circumstances, which we found to exist at OHCA, likely increases the risk to the health, safety, and welfare of care home residents.