

**REPORT TO THE TWENTY-THIRD HAWAII STATE  
LEGISLATURE 2006**

**IN ACCORDANCE WITH THE PROVISIONS OF ACT 153,  
RELATING TO HOME AND COMMUNITY-BASED  
SERVICES, SESSION LAWS HAWAII 2004**

**DEPARTMENT OF HUMAN SERVICES  
SOCIAL SERVICES DIVISION  
DECEMBER 2005**

## ACT 153 REVIEW BOARD REPORT

In December 2002, the Auditor released Report No. 02-22, *Study To Determine the Appropriate State Agency to Oversee the Regulation of Adult Residential Care Homes and Adult Foster Homes*. The Auditor found that “adult foster home regulation by the Department of Human Services via case management agencies is inappropriate and poses a potential conflict of interest.”

In response to the Auditor’s study, the 2004 Hawaii State Legislature enacted Act 153 authorizing the Department of Human Services, or its designee, to license case management agencies and certify community care foster family homes.

Act 153 mandates a Review Board to 1) analyze the impact of Act 153, specifically regarding the elimination of the conflict of interest in the certification of community care foster family homes and the Department’s monitoring of home and community-based case management agencies and community foster family homes and 2) review the number of Medicaid and private pay admissions to the Residential Alternative Community Care Program (RACC). Attached is a breakdown of case management agencies and Medicaid and private pay admissions.

The Review Board, consisting of representatives of the Case Management Council, the Adult Foster Home Association (AFHA), the Alliance of Residential Care Administrators (ARCA), the Department of Health (DOH) and the Department of Human Services (DHS), has met to discuss and analyze the issues noted in Act 153.

*The impact of Act 153, specifically regarding the elimination of the conflict of interest in the certification of community care foster family homes...*

The Case Management Council, the Alliance of Residential Care Administrators (ARCA), Department of Health (DOH) and the Department of Human Services (DHS) are in agreement with the concept of separating licensing from the placement of clients. There have been problems in the implementation process during this eight-month transition period but all agree that the concept is good. The Adult Foster Home Association (AFHA) does not support this separation.

The four entities agree that the primary positive result of the separation is standardization of all community care foster homes. The certification process is uniform for all community care foster family homes.

The four entities agree that most problems are problems of transition, e.g.

1. Community Ties of America (CTA), the contracted designee of DHS, was to begin February 1, 2005 but experienced telephone problems and an office move. The fact that they were difficult to contact during this first month created anxiety in the community care foster family homes and case management agencies.

2. CCFHs previously were supported by the CMAs who had certified them. Now, the homes are solely responsible for insuring that their records are complete and up to date and are also expected to bill utilizing a 1500 form for their services. They are not being compensated for this additional work.

Not all problems that exist are problems of transition, e.g.:

1. Previously, the case manager became intimately knowledgeable of a home in the process of certifying a home. This knowledge was valuable in the matching of a client to the home. Now this knowledge is only attained through experience.
2. With their allegiance to a particular case management agency no longer mandated, the homes are influencing their residents to switch case management agencies. There was discussion about homes switching to case management agencies with lower expectations of client care but this could not be factually documented. It seems that the clients and homes are switching but that the reasons are varied and difficult to categorize.

AFHA maintains that the separation of the certification of the homes and the placement of the client did not benefit them in any way. While the homes are beginning to experience a lot less anxiety about the certification process by CTA, they feel that they are being required to not only care for the clients but are now completing paper work without the support of the case management agencies. They also are responsible for additional paper work that includes billing for services and keeping track of requirements such as CPR training and blood borne pathogen training.

*...the Department's monitoring of home and community-based case management agencies and community foster family homes...*

CTA, as DHS' designee to license and certify case management agencies and community care foster family homes, monitors the case management agencies and RACC homes. All adverse reports and complaints are investigated by CTA. DHS, in turn, monitors CTA. In the process of monitoring CTA, case management agencies as well as homes will be monitored by the Department of Human Services.

### Conclusion

The anxiety, as well as distrust of CTA, appears to have been abated with the continued certification and re-certification of the community care foster family homes.

The knowledge gained by the case management agencies from certifying the homes was a positive reason for the initial development of CMAs certifying the homes in the RACC program. However, this knowledge is not specific to the certification process and can be attained through the placement of a client in the home. Also, knowledge gained during the certification process is not a guarantee that the home will always

function or react in the expected manner when a client is placed. Definitive knowledge is attained with the experience of the client in the home.

Switching of case management agencies by clients and providers is a credible concern. Eight months after the implementation of Act 153, it is too soon to determine whether this switching is a transitional response to the freedom of choice given both the client and the provider or some other factors. Perhaps these switches reflect a culturally-biased reluctance of the home providers to overtly complain or criticize a case management agency that has been providing services. Possibly, the providers are switching, instead of complaining.

AFHA and the Case Management Council emphasize that the transition from the case managers to CTA certifying the homes has not been a smooth one. All the Review Board members agree that the case managers knew their caregiver so well that they could anticipate any gaps and needs and correct them before certification or recertification. The introduction of an independent review entity sometimes revealed areas that required a corrective active plan. For the caregiver, this was difficult because they were unused to rectifying problems without the support of the case managers.

DHS did provide comprehensive billing training and did meet with the providers as well as the officers of the provider associations to discuss the transition. There were no changes in the rules but from the standpoint of the providers who were now having to be responsible to implement the rules without the case manager interpretation, it appeared that the rules were changed. DHS did contract with CTA to provide orientation to new providers but mistakenly did not think it necessary to have CTA provide orientation to the established providers.

The Review Board has provided all participants the opportunity to meet and discuss the RACC program from the viewpoint of the participants. The Board has found this exchange valuable and is recommending that the Board continue until January 2008 to review and assess on-going orientation and training requirements for case management agencies and RAAC home providers; review issues that may arise by CTA, CMA and providers and provide ongoing discussions to assure clarity in order that lessons learned from this transition can be used to assist the RACC homes and case managers in the transition to Quest Expanded Access (QExA).

There have been problems with the implementation. But, the concept of separation is valid and the Department remains committed to implement the Auditor's recommendation of December 2002.

# RACC QUARTERLY REPORT

CMA	August-October 2004		Nov 2004-Jan 2005		February-April 2005		May-July 2005	
	Medicaid Served	Private Served	Medicaid Served	Private Served	Medicaid Served	Private Served	Medicaid Served	Private Served
Abel Case Management Inc.	77	8	68	11	71	11	68	21
Aloha Care Services	147	31	148	29	71	11	68	21
Aloha Health Care Services	44	8	38	5	41	6	43	0
Barnes & Tabora CM	31	3	28	3	32	4	34	7
Blue Water Resources	19	2	16	3	20	7	27	10
Case Management Inc.	96	16	101	19	123	26	129	30
Case Management Professional Inc.	95	6	88	10	89	9	93	12
Catholic Charities- Oahu	41	17	12	5	13	5	0	0
Hawaii Care Case Management	17	1	18	0	18	1	18	3
Kaiser Community Case Mgmt.	20	3	23	2	24	5	23	8
MB	37	12	43	13	43	15	43	15
Nightingale Case Management Inc.	88	19	91	31	110	26	119	28
Ohana Case Management	42	8	51	6	50	9	51	11
Quality Case Management Inc.	86	12	84	11	86	10	92	11
Queens Community Based Program	48	14	49	12	48	11	44	13
Ramiro-Anderson & Talavera	48	11	56	14	71	21	83	24
Residential Choices, Inc.	81	27	80	28	88	4	86	29
TLC Case Management	12	1	11	3	11	3	13	3
<b>TOTALS</b>	<b>1029</b>	<b>199</b>	<b>1005</b>	<b>205</b>	<b>1009</b>	<b>184</b>	<b>1034</b>	<b>246</b>
<b>Neighbor Isles:</b>								
Abel Case Management Inc.	8	1	6	3	6	2	6	4
Catholic Charities	25	11	28	13	29	12	25	9
Kupuna Alternative Care	22	18	23	18	24	29	25	19
Garden Island Comm. Care Resources	5	0	5	0	5	0	0	0
Hale Makua	21	8	21	8	22	7	16	7
Ohana Alternative Care Services	7	3	9	4	10	5	10	5
<b>TOTALS</b>	<b>88</b>	<b>41</b>	<b>92</b>	<b>46</b>	<b>96</b>	<b>55</b>	<b>82</b>	<b>44</b>