



Department of Human Resources  
311 West Saratoga Street  
Baltimore MD 21201

## FIA ACTION TRANSMITTAL

Control Number:	Effective Date: UPON RECEIPT Issuance Date: January 25, 2005
#06-27	

**TO:** DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES  
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT  
PURCHASE OF CARE ADMINISTRATORS  
FAMILY INVESTMENT SUPERVISORS AND CASE MANAGERS  
DEPARTMENT OF HEALTH AND MENTAL HYGIENE

**FROM:** KEVIN M. MCGUIRE, EXECUTIVE DIRECTOR, FIA  
JOSEPH E. DAVIS, EXECUTIVE DIRECTOR, DHMH, OOEP

**RE:** SUPERVISORY REVIEW SYSTEM (SRS)

**PROGRAM AFFECTED:** ALL FAMILY INVESTMENT PROGRAMS

**ORIGINATING OFFICE:** BUREAU OF CONTINUOUS IMPROVEMENT (BCI)

### SUMMARY

To ensure consistency throughout the state for case review procedures and reporting statistical results the automated Supervisory Review System (SRS) was implemented on July 1, 2002 in all local departments of social services. The primary purpose of SRS is to ensure program accuracy by assessing case manager's adherence to laws and regulations through the identification and correction of errors. Additionally, the system provides an effective management tool for evaluation, performance appraisals, and determining training needs.

The intent of the SRS is to ensure program integrity by randomly selecting cases for an in-depth program supervisory review. SRS validates payment accuracy, identifies error trends and provides information that can be used to develop corrective action initiatives.

This Action Transmittal (AT) obsoletes Action Transmittals AT 98-14, 00-07 and 00-07 Revised.

### NEW PROCEDURE

The automated SRS system, implemented July 1, 2002, replaced the Comprehensive Program Review System (CPRS). The SRS was modified in 2004 to include reviews of

cases in pending status (pre-issuance). Purchase of Care (POC) cases are not included in the automated SRS system and will continue to be reviewed manually.

## **CASE READING QUOTA REQUIREMENT**

The monthly district office case reading quota requirement is determined by multiplying six (temporarily reduced to three) times the number of case managers who perform eligibility determinations. A case review includes all associated assistance units (AUs). The Executive Director of the Family Investment Administration (FIA) will notify local departments, in writing, when the temporary reduction is lifted. The automated SRS calculates the district office monthly case reading quota requirement. The temporarily reduced minimum quota requirement (based on the factor of three) may not be adjusted for vacancies or absences of the reviewing staff. When the temporary quota reduction is lifted, the automated SRS will allow adjustment to the monthly quota requirement based on vacancies or absences of the reviewing staff.

The SRS provides a separate randomly selected “Local Level 1 Sample List” for positive and negative case actions monthly for each case manager. Reviewers also have the ability to review pending cases by adding individual cases to the “Local Level 1 Sample List” for pending cases. Reviewers may also add cases to the positive and negative Local Level 1 Sample Lists. Reviewers must ensure six (temporarily three) cases are reviewed, whenever possible, for each case manager for whom the automated SRS provides a randomly selected Local Level 1 Sample List with a sufficient number of cases for review. Reviewers must ensure the monthly district office quota established by SRS is met by reviewing randomly selected cases. Reviewers may select additional cases from any case manager’s random sample list in their district office, when necessary, to meet the district office case reading quota requirement. Reviewers may select cases to meet the required case reading quota from the positive or negative sample lists or from pending cases, or from a combination of these three types. If cases are selected from the positive or negative sample lists, the reviewer must start at the top and document the reason any case is excluded from review. To exclude a case from review, enter an “E” under the “Sel” field for the case and enter a sufficient explanation for the exclusion. (See Section 6 of the Supervisory Review System User’s Guide for further information.) The SRS system maintains documentation to validate the random selection of cases from the positive and negative samples. If the district office case reading quota requirement is met through the positive and negative random sample lists provided by SRS, then the local department does not need to maintain further evidence of random selection of cases for review. If the district office chooses to add cases to the pending sample list to meet the quota requirement, then the district office must maintain documentation for a period of three (3) years for second level review and audit purposes to validate that these cases were randomly selected. If the district office quota is met through a random selection from the positive and negative sample lists, it is not necessary for the local department to maintain documentation to validate random selection of the additional cases reviewed. See Selection Criteria under Purchase of Care (POC) Case Reviews (page 4) for POC instructions.

CARES will automatically calculate the district office quota based on the number of eligibility staff with CARES Unit Types 03 or 08 without the code "S" in the Worker Type field. (The "S" for Worker Type is used to identify staff who do not normally perform eligibility functions.) All eligibility staff that perform eligibility functions should be in one of these unit types. This information can be found in the OMEN screen in CARES. Case managers with CARES Unit Type 02 are not included in determining the quota. Local departments that have POC case managers who are not CARES Unit Type 03 or 08 must notify BCI of the number of POC case managers so that the district office's SRS quota can be adjusted accordingly.

In generalist units, that process FIA & POC cases, when Medical Assistance/Maryland Children's Health Program (MA/MCHP), Food Stamps (FS) or other program cases are selected for review and the customer also receives POC, the POC case must also be reviewed. Specialized POC units that determine eligibility for POC only, will be required to review only the POC case. POC reviews must be completed on the paper 102P form. A form 103C and form 103D should be completed and sent to: Department of Human Resources, 311 West Saratoga Street, Baltimore, Maryland 21201, attention SRS Coordinator, 6<sup>th</sup> floor, BCI. For the POC reviews to be counted toward meeting the monthly quota, BCI must receive the forms 103C and 103D by the 15<sup>th</sup> of the month following the month of review.

Local departments may request time-limited exemptions to the case reading quota for extenuating circumstances. Direct written requests to the Executive Director of FIA.

## **CASE REVIEW PROCESS**

### **Best Practice**

A holistic approach to reviewing case records is recommended. The reviewer should look at the case record in its entirety, considering all associated programs and all parts of the case record handled by the case manager as pieces of a whole. The different parts of the case record should fit together like pieces of a puzzle. Information in one part of the case record should be consistent with information found in other parts of the case record. A recommended plan for performing this type of case review includes:

- Review the case record narrative first to get the "big picture" before beginning to look at the details of the case record.
- Review the hard copy of the case record next to ensure appropriate documents and verifications are present to support the eligibility decision. Hard copies of CCAMIS or CARES screens used to verify customer's POC eligibility must be filed in the POC case record.
- Review the CARES and/or CCAMIS screens last to ensure that data has been accurately entered so that benefits/payments and eligibility decisions are

appropriately authorized. Hard copies of CCAMIS screens must be filed in the POC case record.

- Refer to the Supervisory Review System Guidelines (attached) and the Supervisory Review System User's Guide for specific guidance while navigating through the computer system portion of the review.

### **Outcome-based Reviews**

First level SRS reviews feature an outcome-based case record review process, which focuses on the end result of the eligibility determination process. This means that the determination of what is an error will not be based on the individual elements or procedures reviewed during the case review process. Instead, an error will be defined in terms of the accuracy of the eligibility decision or the benefit/payment authorization. Specifically:

- An **error** will be cited when the supervisory review identifies an action that must be taken in order to correct a prior or existing payment/benefit or eligibility status error.
- An **error** will also be cited on pre-issuance reviews when the supervisory review identifies an action that must be taken to prevent a payment/benefit or eligibility status error that would have occurred had a correction not been made. Errors are defined as actual or potential:
  - Underpayments
  - Overpayments
  - Incorrect MA Spenddowns (Amount or effective date)
  - Incorrect eligibility status for individuals
  - Incorrect eligibility status for assistance units
- A **deficiency** will be cited when the supervisory review identifies an action that must be taken to correct the case, but the action did not result in an adjustment to a completed or scheduled benefit/payment amount or eligibility status.
- A **correct** determination will be made when no action is required to correct either an error or a deficiency.

## **PURCHASE OF CARE (POC) CASE REVIEWS**

### **Review Guidelines**

- Each local department is to ensure that a representative random selection of TCA and Non-TCA POC cases is included in the case reading quota.
- The 102P is to be used to review, track and report all POC case errors and deficiencies.

## **Selection Criteria**

- The local departments will randomly select cases from each case manager's Priority 1, 2 and 3 lists.
- The random list of POC cases is valid to use for selecting case records for review for up to forty-five (45) days from the run date. District offices are to retain a copy of the report (Priority 1, 2 and 3 lists) from which the cases were selected for a period of three (3) years for conducting second level reviews on the selected cases and for audit purposes.
- All associated assistance unit cases handled by the same POC case manager for each head of household selected are to be reviewed. Assistance units are Family Investment Administration (FIA) programs, which include Cash Assistance, Food Stamps and Medical Assistance/MCHP. If the case manager's function is just POC, the associated cases do not need to be reviewed.

## **Procedures and Forms**

- Review the cases selected on the sample report for all pertinent factors of eligibility and required procedures in all applicable programs.
- Record results of the review on the 102P form entering cause codes for any factors identified as contributing to errors or deficiencies. Describe errors or deficiencies in detail in the Action Needed section and check Correction Needed. **Circle the cause codes for errors only.** (See above for definitions of errors and deficiencies.)
- If no correction is needed, check Correction Not Needed.

## **Routing the SRS Form (102P)**

Local departments should follow these suggestions for reviews needing correction and correct reviews:

- **White, yellow and pink** - Attach to the case file and return to the worker for correction. Return cases needing correction to the appropriate worker. Allow a maximum of twenty-one (21) calendar days from the date of the review for completion.
- **Gold** - File this copy in the **CORRECTION FILE** maintained in the unit or a central control system in the local office. Keep the forms in this pending file in a review date order until corrected.
- The worker corrects the finding; signs and dates the correction in the space provided and returns the case with all three copies of the 102P for re-review.

For reviews not needing correction, or corrected reviews:

- Re-review the action taken to correct the case. Once corrected, initial and date the three copies in the correction block and:

If keeping the correction file, pull the gold copy from the error correction file and throw it away. File the White copy into a "Corrected During the Month" file to be held until the end of the month for reporting purposes.

- If the correction file is kept centrally, forward the case with the white copy attached to the central control person who will pull the case, and throw away the gold copy.
- **Yellow** - File yellow copy by individual worker. Use this to monitor workers' performance.
- **Pink** - File in the case record.

Any case record not corrected within 21 days is considered overdue. These cases are at risk of being selected for audit reviews with the potential for costly errors. The number of overdue error cases must be recorded on the monthly report. Compliance with this requirement is monitored through the PEP process and second level reviews completed by FIA's POC unit.

- Manually complete the 103C and 103D forms for all POC reviews. A copy of the 102P with any errors corrected during the month should be sent to the Bureau of Continuous Improvement. To receive credit for POC reviews, the reports must be received by the 15<sup>th</sup> of the month following the month of review. Send the forms to: Department of Human Resources, 311 West Saratoga Street, Baltimore, MD 21201, attention SRS Coordinator, 6<sup>th</sup> floor, BCI.

## **Filing System**

- **Worker Files**

The reviewer keeps a folder for each worker. Place the **yellow** copy of the 102P into each folder for every case reviewed. At the end of the month, the reviewer tabulates the forms to show how many reviews were completed and the number of errors identified for each worker. After the monthly report is completed, the forms are kept in a back-up file to be used for monitoring worker performance, training, and evaluation purposes.

- **Error Corrections Files**

This file tracks error correction activities using the **gold** and **white** 102P forms. At the local department's option, the reviewer, a unit clerk, or a central control system may keep the file.

When a case is returned for correction, file the **gold** copy in due date order in the error correction file. As each case is corrected, pull the gold 102P and throw it away. Put the white copy in a separate file labeled "Corrected During the Month." Copies of the 102P's that were corrected during the month should be sent to the SRS Coordinator by the 15<sup>th</sup> of the month following the month of correction.

- **Monitoring Files**

The local department shall retain all second level POC reviews (102P) and random selection documentation for three (3) years for audit purposes.

## **PAYMENT ACCURACY**

### **Performance Evaluations**

The SRS process provides for accountability in all benefit programs. The following SRS payment accuracy performance standards are established for case managers and supervisors:

<u>Accuracy Rate</u>	<u>PEP Standard</u>
95-100	O
89- 94	E
81-88	M
75-80	N
74-0	U

Performance Planning and Evaluation Program (PEP) evaluations for Family Investment Program case managers are to include a payment accuracy performance standard. Case managers are exempt from the established standard during their probationary period. Local departments may establish local standards for probationary employees.

Local departments are encouraged to use the Case Manager Review Rates Report to determine the case manager's accuracy rate. The Case Manager Review Rates report can be accessed through option "K" off the Supervisory Review System Main Menu; then enter option "F." On this report, the percentage for those cases in error is presented as an error rate. In order to obtain the accuracy rate subtract the error rate from 100%.

When the payment accuracy rate for an individual (non-probationary) case manager is below standards (80% or less) for first level SRS reviews at the mid or end cycle evaluation, the supervisor of that case manager must develop a Performance Improvement Plan that will focus additional attention or target additional reviews toward that case manager.

Supervisory accountability is provided for in the SRS process via the second level SRS reviews performed by local departments and by FIA's BCI and POC units. The Department of Health and Mental Hygiene (DHMH) will also perform additional monitoring of MA reviews in local departments. The results of those reviews completed by BCI or POC will be provided to the local departments.

## **Targeting Reviews**

The system will allow district offices the flexibility to focus on their error prone cases by allowing customized sampling at the district office level. Sample drivers are the types of changes that case managers make to a case that is written to the SRS universe. Sample drivers do not pertain to negative sample cases. To change the sample driver for the ongoing month, only managers with a secured task to access path A, C, and M will have the ability to perform this function. The instructions for changing sample drivers can be found in section 3.1 of the SRS manual.

## **MANAGEMENT MONITORING**

### **Local Department**

Local department management will ensure that SRS is an effective method of identifying and correcting errors and not just a numerical reading requirement each month. The automated SRS provides information that enables managers to ensure that SRS not only corrects but also prevents errors. Local department management is responsible for holding staff accountable for meeting SRS case reading standards including:

- Meeting monthly quotas,
- Meeting established performance standards (see above),
- Correcting identified errors or deficiencies within 21 days, and
- Processing overpayments or underpayments identified by the SRS review, as per local department procedure.

Staff who fail to meet the above performance standards for three consecutive months are to have a Performance Improvement Plan developed to improve their performance. See the Supervisory Review System User's Guide for detailed information about SRS management reports available on CARES. Additional SRS reports are available on the Report Management and Distribution System (RMDS). See Section 10 of the Supervisory Review System User's Guide for further information.

## **Central Office**

BCI notifies local departments, in writing, if they fail to meet their case reading quota. Any district office that does not meet its case reading quota for three consecutive months shall be required to submit a Corrective Action Plan (CAP) to DHR. Additionally, any district office that has reviews pending over 21 days in the automated SRS for 3 consecutive months shall be required to submit a CAP to DHR. The CAP must explain how the case reading quota will be achieved, how the reviews will be completed timely, and how the process will be monitored to ensure compliance.

FIA's BCI and POC units will perform second-level SRS reviews in local departments to evaluate compliance with SRS requirements. These reviews give management the means to determine the accuracy of first level reviews and identify issues that require procedural clarification or training. Failure to achieve established standards in second level SRS reviews will result in a Corrective Action Plan for that supervisor to resolve the performance issues. Local departments will receive a report of the second-level findings within thirty days from the completion of the second-level review.

**Second Level Review Exceptions**-Local departments may file exceptions to the findings within thirty days from the date the report. If an exception is not filed within thirty days, the review findings become final without further notice. Exceptions are to be made in writing from the Director of the respective local department to the Director of the Office of Operations for FIA programs. POC exceptions are to be in writing from the Director of the respective local department to the Director of the Office of Policy, Research, and Systems Development. A decision regarding the exception request will be provided within thirty days.

## **INQUIRIES**

Please direct SRS questions to Don Monahan at (410) 767-7951 or Dot Fazeli at (410) 767-8178.

Please direct Purchase of Care (POC) questions to Betsy Blair at (410) 767-7845 or Dion Sutton at (410) 767-1498.

## Attachments

cc: FIA Management Staff  
OIM Help Desk  
CIS Testing Facility