

Special Review

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**Department of Human Services  
Social Services Administration  
Follow-up Review**

January 2019

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**OFFICE OF LEGISLATIVE AUDITS  
DEPARTMENT OF LEGISLATIVE SERVICES  
MARYLAND GENERAL ASSEMBLY**

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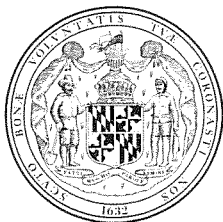
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DEPARTMENT OF LEGISLATIVE SERVICES  
OFFICE OF LEGISLATIVE AUDITS  
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber  
Executive Director

Gregory A. Hook, CPA  
Legislative Auditor

January 9, 2019

Senator Craig J. Zucker, Co-Chair, Joint Audit Committee  
Delegate Shelly L. Hettleman, Co-Chair, Joint Audit Committee  
Members of Joint Audit Committee  
Annapolis, Maryland

Ladies and Gentlemen:

We have conducted a follow-up review of the actions taken by the Department of Human Services (DHS) – Social Services Administration (SSA) to address the findings in our November 20, 2017 audit report. In that report, we concluded that SSA's accountability and compliance rating was unsatisfactory.

At our request, prior to the start of this review, SSA provided a status report, as of June 13, 2018, indicating the implementation status of each finding as well as its corrective action plan, including timelines and processes to monitor the implementation of the plan. In summary, SSA's status report indicated that 2 findings had been corrected and additional actions were still required to address the 12 remaining findings.

We performed certain procedures to evaluate the appropriateness of actions taken by SSA for 6 of the 14 report findings, including the implementation of the related audit report recommendations. Specifically, based on auditor judgment and after consideration of significance and risk, we reviewed 6 findings for which SSA's status report indicated additional actions were required. Our review, which was performed during the period from July to September 2018, confirmed that SSA had made some progress, although not necessarily consistent with its stated corrective action plan but, nevertheless, had not resolved these 6 findings.

Exhibit 1 identifies SSA's assessed implementation status for all 14 findings, according to its status report, as well as the results of our review for the 6 findings. Exhibit 2 describes, in detail, the 6 findings we determined that SSA had not corrected. To obtain a thorough understanding of the audit findings and the follow-up status described in Exhibit 2, the November 20, 2017 report should be consulted due to the technical nature of some of these findings.

SSA's status report is included as Appendix A, and DHS' response to this report, on behalf of SSA, is included as Appendix B. We have reviewed DHS' response to our assessment of the status of those findings selected for follow-up review and determined that SSA generally agreed with our assessments. For example, for each of the six findings reviewed, both SSA and we deemed the implementation status to be in progress. When there was a disagreement, we concluded, based on the limited disclosures in DHS' response, that the disagreement appears to relate to the extent of SSA's progress in implementing the applicable audit recommendation. We have concluded that, for certain recommendations, the implementation of more comprehensive policies and procedures than we found to exist at the time of our review would be beneficial in the delivery of services and safeguarding of State assets.

To improve its accountability and compliance rating, SSA should continue to implement its corrective action plan for all findings and ensure that other areas do not deteriorate. We will review the status of all of the audit findings during our next audit of SSA. We wish to acknowledge the cooperation extended to us by SSA during this review.

Respectfully submitted,

A handwritten signature in black ink, reading "Gregory A. Hook". The signature is written in a cursive, flowing style.

Gregory A. Hook, CPA  
Legislative Auditor

# Exhibit 1

## Implementation Status of Findings in the November 2017 SSA Audit Report

Prior Finding	Status as Determined by SSA as of June 2018 <sup>1</sup>	Status Based on Auditor's Review
<b>Quality Assurance Program</b> 1. The Social Services Administration (SSA) did not have comprehensive quality assurance processes in place to adequately monitor the administration of child welfare program services by the State's local departments of social services (LDSSs).	In Progress	In Progress (See Exhibit 2)
<b>Monitoring Compliance with Foster Care Requirements</b> 2. SSA had not established procedures to monitor the LDSSs to ensure that foster children were placed in the least restrictive environment and received required services. Further, reports from the Children's Electronic Social Services Information Exchange (CHESSIE) did not accurately reflect services provided to children in foster care, which hampered the ability of SSA to monitor service delivery.	In Progress	In Progress (See Exhibit 2)
<b>Monitoring of Foster Care, Adoption, and Guardianship Assistance</b> 3. SSA did not establish procedures to ensure that the LDSSs complied with State regulations regarding the initial approval of foster care providers, as well as ongoing monitoring requirements for foster care providers, adoptive parents, and guardians.	In Progress	In Progress (See Exhibit 2)
4. SSA had not established procedures to ensure that children who remained in the foster care, adoption, or guardianship programs after they reached the age of 18 were eligible to do so and, for certain cases we reviewed, there was a lack of documentation supporting continued eligibility.	In Progress	N/A
Page 1 of 3		

N/A – Not applicable since we did not review the implementation status of this finding

<sup>1</sup> SSA's implementation status for each finding is based upon SSA's status report, as of June 13, 2018. The status based on the auditor's review presented by finding in Exhibit 1 was discussed with, and agreed to, by SSA management personnel.

# Exhibit 1

## Implementation Status of Findings in the November 2017 SSA Audit Report

Prior Finding	Status as Determined by SSA as of June 2018 <sup>2</sup>	Status Based on Auditor's Review
<b>Federal Funds</b>		
5. SSA did not have adequate procedures to ensure that it received federal reimbursement for all children eligible for Title IV-E funding. Our tests disclosed instances in which children were incorrectly determined to be ineligible, resulting in a potential loss of federal funds totaling approximately \$1 million.	In Progress	In Progress (See Exhibit 2)
6. SSA did not maximize the recovery of federal funds for children who were eligible to receive Supplemental Security Income.	Corrected	N/A
<b>Child Protective Services</b>		
7. SSA did not monitor the timeliness of child abuse and neglect investigations conducted by the LDSSs. In addition, reviews and investigations of allegations were not always performed timely.	In Progress	In Progress (See Exhibit 2)
8. SSA did not monitor the timeliness of required assessments of substance-exposed newborns completed by the LDSSs. In addition, these assessments were not always completed within the required time frames.	In Progress	N/A
9. SSA lacked adequate controls to ensure the LDSSs were immediately notified of children born to individuals who had previously had their parental rights terminated for abuse or neglect. In addition, SSA did not ensure that the LDSSs completed an assessment of these families and offered services when appropriate.	In Progress	N/A
Page 2 of 3		

N/A – Not applicable since we did not review the implementation status of this finding

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<sup>2</sup> SSA's implementation status for each finding is based upon SSA's status report, as of June 13, 2018. The status based on the auditor's review presented by finding in Exhibit 1 was discussed with, and agreed to, by SSA management personnel.

# Exhibit 1

## Implementation Status of Findings in the November 2017 SSA Audit Report

Prior Finding	Status as Determined by SSA as of June 2018 <sup>3</sup>	Status Based on Auditor's Review
<b>Foster Care, Adoption, and Guardianship Payments</b>		
10. SSA did not ensure that overpayments made to certain providers of child placement services were identified and resolved in a timely manner.	Corrected	N/A
11. SSA had not established procedures to ensure that adoption assistance payments were suspended, terminated, or as permitted, renegotiated with the adoptive parent when an adoptive child was removed from the adoptive home.	In Progress	In Progress (See Exhibit 2)
12. Ancillary expenditures incurred by the LDSSs to further support children in social services programs were not adequately controlled.	In Progress	N/A
13. SSA did not approve certain adoption assistance rates being paid by LDSSs as required by SSA policy.	In Progress	N/A
<b>Interagency Agreements</b>		
14. SSA did not ensure that payments made to a State university for three interagency agreements were adequately supported, were reasonable in relation to the tasks performed, and were made in accordance with the terms of the agreements.	In Progress	N/A

Page 3 of 3

N/A – Not applicable since we did not review the implementation status of this finding

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<sup>3</sup> SSA's implementation status for each finding is based upon SSA's status report, as of June 13, 2018. The status based on the auditor's review presented by finding in Exhibit 1 was discussed with, and agreed to, by SSA management personnel.

## **Exhibit 2**

### **Detailed Comments on the Findings for Which the Office of Legislative Audits Deemed the Implementation Status to be “In Progress”**

#### **Quality Assurance Program**

##### **Prior Finding 1**

**The Social Services Administration (SSA) did not have comprehensive quality assurance processes in place to adequately monitor the administration of child welfare program services by the State’s local department of social services (LDSSs).**

##### **Prior Report Recommendation 1**

We recommended that SSA establish comprehensive quality assurance processes to ensure its child welfare programs are effectively and properly administered by the LDSSs. Specifically, we recommended that SSA develop, implement, and oversee

- a. comprehensive written procedures for monitoring program services and functions to ensure compliance with applicable laws, regulations, and policies; appropriate and timely recordkeeping; and the maintenance of supporting documentation related to services and functions performed; and
- b. a quality assurance case review process at each LDSS.

##### **Auditor’s Assessment of Status – In Progress**

Although SSA established procedures to address recommendation a, the procedures were not complete or sufficient for all programs, and SSA had not addressed recommendation b.

With regard to recommendation a, SSA developed certain written procedures for monitoring program services and functions. However, these procedures were not always complete or sufficient to address compliance with applicable laws, regulations, and policies; appropriate and timely recordkeeping; and the maintenance of supporting documentation for all programs. For example, for most programs, the procedures did not specify how cases were to be selected for monitoring purposes, how many cases were to be reviewed, and the nature of supporting documentation the LDSSs were required to include in the Children’s Electronic Social Services Information Exchange (CHESSIE). The shortcomings of these procedures are further addressed elsewhere in this report.



In addition, SSA revised its written Continuous Quality Improvement (CQI) plan in June 2018. This plan provides for periodic on-site reviews of local department performance and compliance every six months to three years. At the time of our review, SSA management advised us that no final CQI reports had been issued.

With regard to recommendation b, we were advised that SSA was relying on periodic reviews of the LDSSs but had not developed a quality assurance case review process at each LDSS.

## **Monitoring Compliance with Foster Care Requirements**

### **Prior Finding 2**

**SSA had not established procedures to monitor the LDSSs to ensure that foster children were placed in the least restrictive environment and received required services. Further, reports from CHESSIE did not accurately reflect services provided to children in foster care, which hampered the ability of SSA to monitor service delivery.**

### **Prior Report Recommendation 2**

We recommended that SSA establish procedures to monitor the LDSSs to ensure compliance with foster care requirements. Specifically, we recommended that SSA

- a. ensure that the applicable legal documentation is included in each foster child's case record;
- b. ensure that the LDSSs place children in the least restrictive environment and document attempts to place the child with a relative;
- c. ensure compliance with medical, dental, and education requirements by reviewing applicable documentation; and
- d. ensure that all required activity is accurately reflected in CHESSIE so that CHESSIE can be effectively used as a tool to monitor case management activity.

### **Auditor's Assessment of Status – In Progress**

SSA established certain written procedures to monitor LDSS compliance with foster care program requirements on a test basis. However, the procedures were not comprehensive in that they did not specify how cases were to be selected for monitoring purposes, how many cases were to be reviewed, and the nature of supporting documentation the LDSSs were required to include in CHESSIE. Furthermore, the procedures did not adequately address all program requirements included in our finding.

With regard to recommendations a and b, SSA had not established monitoring procedures to ensure that applicable legal documentation was included in CHESSIE for each child's case record, and each child was placed in the least restrictive environment, as required.

For recommendation c, SSA's status report indicated that it had completed implementation of this recommendation. In June 2018, SSA conducted a review of medical, dental, and education records for compliance with foster care requirements. For example, SSA obtained an existing report that identified cases in which the LDSSs did not record in CHESSIE that a medical exam had been provided for the child within the required timeframe. However, we found that SSA's follow-up of the cases on this report improperly excluded children for which an initial medical exam had not been recorded in CHESSIE. In this regard, SSA's review of records for six LDSSs excluded consideration of 350 children from five LDSSs who had been in foster care for at least two years without an initial medical exam. Furthermore, SSA did not ensure that cases it identified were properly resolved. Specifically, SSA requested these six-LDSSs to provide documentation of the status of medical exams for 482 children, but did not follow up with the LDSSs to ensure that the documentation of the medical exams was subsequently recorded in CHESSIE.

Regarding recommendation d, SSA had not established procedures to ensure that all required activity was accurately reflected in CHESSIE and, based on our limited review, the accuracy of information recorded in CHESSIE remained questionable. Specifically, our examination of the records for nine children for which the LDSSs had recorded in CHESSIE that a medical exam was performed, disclosed that no corresponding medical documentation had been scanned into CHESSIE for six of these children.

## Monitoring of Foster Care, Adoption, and Guardianship Assistance

### **Prior Finding 3**

**SSA did not establish procedures to ensure that the LDSS complied with State regulations regarding the initial approval of foster care providers, as well as ongoing monitoring requirements for foster care providers, adoptive parents, and guardians.**

### **Prior Report Recommendation 3**

We recommended that SSA

- a. establish monitoring procedures, including a review of documentation, to ensure that the LDSSs approve and monitor family foster care providers in accordance with State regulations;
- b. establish monitoring procedures to ensure the LDSSs conduct required redeterminations of the continued eligibility of family foster care providers, adoptive parents, and guardians in accordance with State regulations; and
- c. ensure that the LDSSs correctly record/scan all necessary documentation in CHESSIE relating to the approval, monitoring, and continued eligibility of family foster care providers, adoptive parents, and guardians, including documentation of quarterly meetings with family foster care providers.

### **Auditor's Assessment of Status – In Progress**

SSA established certain procedures to address recommendations a, b, and c through the use of a quarterly monitoring process, and advised that the first sample for review would be selected after the date of its status report. However, our review of the quarterly monitoring process disclosed the procedures were not sufficient.

To address recommendations a and b, SSA established certain written procedures to monitor compliance with regulatory requirements for foster care providers, adoptive parents, and guardians, relating to the approval and monitoring of foster care providers, and redeterminations of foster care providers, adoptive parents, and guardians. The procedures required SSA to perform a quarterly review of randomly selected adoption, guardianship, and family foster care providers that were approved or redetermined during the preceding 60 days. For example, SSA reviewed 10 of the 413 family foster care providers that were approved or redetermined during the quarter ending May 2018, which included 2 of the 97 new providers for that quarter. However, this methodology essentially excluded from review cases approved or redetermined during the first 30 days of the quarter. In addition, the procedures did not require SSA to increase the number of cases selected, or take other actions, if errors were noted. Furthermore, although SSA advised that it had reviewed 10 adoption redeterminations for this quarter,

SSA could not provide any documentation of its review, and we noted that the required application for adoption assistance was not included in the case record for 5 of these cases. This absence should have been detected had the redeterminations been properly performed.

Regarding recommendation c, SSA's written procedures did not state the types of documentation (such as medical evaluations and background checks) the LDSSs should record/scan into CHESSIE.

## **Federal Funds**

### **Prior Finding 5**

**SSA did not have adequate procedures to ensure that it received federal reimbursement for all children eligible for Title IV-E funding. Our tests disclosed instances in which children were incorrectly determined to be ineligible, resulting in a potential loss of federal funds totaling approximately \$1 million.**

### **Prior Recommendation 5**

We recommended that SSA establish procedures to ensure federal reimbursement is obtained for all children eligible for Title IV-E funding. Specifically, we recommended that SSA

- a. ensure that Title IV-E eligibility is properly determined for all children and recorded in CHESSIE;
- b. ensure that determination and redetermination worksheets are completed for all children, are signed by the preparer and reviewed and approved by a supervisor, and include all supporting documentation;
- c. review all children who are currently determined to be ineligible, including the aforementioned cases, and obtain Title IV-E funds when possible; and
- d. include children classified as ineligible for Title IV-E federal reimbursement in its secondary review procedures.

### **Auditor's Assessment of Status – In Progress**

SSA established certain procedures to address recommendations a and b, but those procedures were not comprehensive. SSA's review of children deemed ineligible was not as comprehensive as specified in recommendation c. Procedures were established to address recommendation d; however, the secondary review procedures had not yet been implemented.

Regarding recommendations a and b, SSA developed written procedures that require regional supervisors to review eligibility determinations for Title IV-E

federal reimbursement when each child enters foster care, and to perform a redetermination of eligibility within 14 months after the original review. However, these procedures did not specify the documentation requirements for redeterminations (such as worksheets completed for all children, signed by the preparer, and reviewed and approved by supervisory personnel). In addition, the procedures did not address eligibility determinations and redeterminations for children in the adoption or guardianship assistance programs.

In regard to recommendation c, SSA did not review the eligibility determinations for all children currently determined to be ineligible for Title IV-E, as recommended. Alternatively, consistent with its new procedures, SSA is including ineligible children in its reviews of redeterminations going forward, beginning with children who entered care during July 2016. Specifically, during October 2017, SSA's central office conducted a redetermination of eligibility for 110 children who were classified as ineligible and concluded that all children were properly classified.

In regard to recommendation d, in addition to the aforementioned 14-month redetermination, SSA developed a written procedure that requires SSA's central office personnel to perform an annual secondary review of five percent of foster children determined to be ineligible. As of July 20, 2018, however, SSA had not begun performing this planned secondary review.

## **Child Protective Services**

### **Prior Finding 7**

**SSA did not monitor the timeliness of child abuse and neglect investigations conducted by the LDSSs. In addition, reviews and investigations of allegations were not always performed timely.**

### **Prior Report Recommendation 7**

We recommended that SSA establish oversight procedures to ensure that the LDSSs review allegations of child abuse or neglect and conduct and complete related investigations in a timely manner, as required by SSA policy and State law.

### **Auditor's Assessment of Status – In Progress**

SSA established written procedures requiring the LDSSs to provide justification in CHESSIE for all allegations of child abuse or neglect that are not reviewed and a disposition determined (as to whether an investigation is warranted) within two hours of receipt as required by SSA policy. The procedure also requires

justifications when related investigations are not completed within 60 days, as required by State law. In addition, the procedures require SSA to periodically select allegations approved for investigation to determine if the dispositions were determined timely. The procedures also require SSA to periodically select investigations to determine if they were completed timely. However, we determined that the procedures were not comprehensive because they did not address the LDSS responsibility to initiate abuse investigations within 24 hours and neglect investigations within 5 days, as required by State law, and did not address SSA's responsibility to ensure that the investigations were initiated timely.

SSA obtained a report of all allegations that were approved for investigation during April 2018, and randomly selected two days which identified 43 allegations that were not reviewed within 24 hours. As of July 2018, SSA had not requested an explanation from the LDSSs for delays that were not adequately justified in CHESSIE.

In addition, the SSA's monthly review procedures could be more effective through the use of a case selection process that considers an analysis of all allegations approved for investigation. For example, we performed a detailed analysis for the entire month of April 2018 and we noted that there were 250 allegations for which the disposition had not been approved within two days, which is the comparison we made in our original audit report, of which 113 (45 percent) were assigned to just three LDSS supervisors.

## **Foster Care, Adoption, and Guardianship Payments**

### **Prior Finding 11**

**SSA had not established procedures to ensure that adoption assistance payments were suspended, terminated or, as permitted, renegotiated with the adoptive parent when an adopted child was removed from the adoptive home.**

### **Prior Report Recommendation 11**

We recommended that SSA

- a. establish procedures to ensure compliance with State regulations regarding adoption assistance payments being made for a child who has been moved from the adoptive home to an out-of-home placement; and
- b. review adoption assistance payments made on behalf of children in out-of-home placement, including for the aforementioned children, and recover any amounts that were inappropriately paid.

### **Auditor's Assessment of Status – In Progress**

SSA had developed certain procedures to address recommendation a, and attempted to develop a report to aid in the implementation of these procedures; however, the report was not functioning correctly at the time of our review and SSA was attempting to implement the necessary modifications. In addition, the procedures did not address a critical element of the compliance verification process. SSA made a management decision not to take any action with respect to recommendation b.

In regard to recommendation a, SSA established written procedures requiring the LDSSs to suspend adoption assistance payments funded entirely by the State when a child is moved to an out-of-home placement. For cases for which the State receives federal reimbursement (Title IV-E), the procedures further require SSA to review adoption assistance payments that have not been suspended. State regulations stipulate that adoption assistance funded entirely by the State shall be suspended when an adopted child enters an out-of-home placement, but assistance that is federally funded may be terminated only when the adoptive parent is no longer legally responsible for the child or is no longer providing financial support to the child. The regulations further provide for the renegotiation of adoption assistance payments for Title IV-E funded children only, to reflect any continued financial support provided by the adoptive parent.

SSA's procedures did not require SSA to ensure that the LDSSs identified the amount of financial support (if any) being provided by the adoptive parent to a child moved to an out-of-home placement so that the amount of the adoption assistance could be renegotiated. SSA had attempted to develop a report to identify for review all children who had been moved from an adoptive home to an out-of-home placement; however, these attempts had been unsuccessful at the time of our review. Through other means, we determined that, during June 2018, adoption assistance payments totaling \$16,148 were paid for 20 children (16 Title IV-E eligible and 4 State-funded) who had previously been moved to an out-of-home placement. SSA had not identified nor performed a review of these dual payments (that is, instances in which both adoption assistance and foster care payments were made).

In regard to recommendation b, SSA management advised us that it would not be reviewing and recovering improper adoption assistance payments made in error on behalf of children in out-of-home placements, as recommended. SSA management also advised that it believes procedures being put in place will eliminate future dual payments.

## **Scope, Objectives, and Methodology**

We conducted a follow-up review of the actions taken by the Department of Human Services (DHS) – Social Services Administration (SSA) to address the findings in our November 20, 2017 audit report. In that report, we concluded that SSA's fiscal accountability and compliance rating was unsatisfactory.

The purpose of our review was to determine the status of SSA's corrective actions to address certain of our audit findings and recommendations. This review was conducted under the authority of Section 2-1220(a)(4) of the State Government Article and was based on our long-standing practice of performing a follow-up review whenever an agency receives an unsatisfactory rating in its fiscal compliance audit report. The rating system was established, in accordance with State Government Article, Section 2-1221 of the Annotated Code of Maryland, for the purpose of determining an overall evaluation of an agency's fiscal accountability and compliance with State laws and regulations.

Initially, we requested and obtained a status report from SSA, as of June 13, 2018, which described the level of implementation of each prior audit report finding. To perform our review, using auditor judgment and based on significance and risk, we selected certain prior findings that SSA had identifying as requiring additional corrective action. For those selected findings, we also obtained additional clarification from SSA of the actions taken to resolve the findings. Specifically, we performed tests and analyses of selected information and held discussions with SSA personnel, as we deemed necessary, to determine the status of SSA's corrective actions to address selected findings, including the related recommendations, from our November 20, 2017 audit report.

This review did not constitute an audit conducted in accordance with generally accepted government auditing standards. Had we conducted an audit in accordance with generally accepted government auditing standards, other matters may have come to our attention that would have been reported.

Our review was conducted primarily during the period from July to September 2018, and our assessment of the status of SSA's corrective actions was performed at the time of our review.

DHS's response, on behalf of SSA, to our follow-up review is included as an appendix to this report. As prescribed in the State Government Article, Section 2-1224 of the Annotated Code of Maryland, we will advise SSA regarding the results of our review of its response.



## APPENDIX A



Larry Hogan, Governor | Boyd K. Rutherford, Lt. Governor | Lourdes R. Padilla, Secretary

June 13, 2018

Mr. Thomas J. Barnickel III  
Legislative Auditor  
Office of Legislative Audits  
301 West Preston Street, Room 1202  
Baltimore, Maryland 21201

Mr. Barnickel,

Please find enclosed the Department of Human Services' (DHS) current status report on the corrective actions taken by the Social Services Administration (SSA) in response to the Legislative Audit Report of the Department of Human Services – SSA issued on November 20, 2017.

If you have any questions regarding the status report, please contact Inspector General Kevin Carson at 443-378-4060 or at [kevin.carson@maryland.gov](mailto:kevin.carson@maryland.gov).

Sincerely,

  
Lourdes R. Padilla  
Secretary

Enclosures:

cc:

Gregory James, Deputy Secretary, Operations  
Randi Walters, Deputy Secretary, Programs  
Craig Eichler, Chief of Staff  
Samantha Blizzard, Special Assistant, Office of the Secretary  
Kevin J. Carson, Inspector General, OIG  
Rebecca Jones Gaston, Executive Director, SSA



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	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
1	The Social Services Administration (SSA) did not have comprehensive quality assurance processes in place to adequately monitor the administration of child welfare program services by the State's local departments of social services (LDSSs).	We recommend that SSA establish comprehensive quality assurance processes to ensure its child welfare programs are effectively and properly administered by the LDSSs. Specifically, we recommend that SSA develop, implement, and oversee	See Attached Summary		<u><b>IN PROGRESS</b></u>
		a.comprehensive written procedures for monitoring program services and functions to ensure compliance with applicable laws, regulations, and policies; appropriate and timely recordkeeping; and the maintenance of supporting documentation relating to services and functions performed	1. November 2017: SSA CQI Plan outlining SSA's overall CQI processes developed ; 2. December 2017: Children's Bureau approves SSA's CQI Policy and Procedure Manual outlining SSA's onsite case review process for the CFSR in alignment with federal requirements; 3. January - March 2018: Meetings held with TA partners and SSA staff to develop a plan for program monitoring activities and Audit Compliance Desk Guides for LDSS; 4. April 2018: Audit Compliance Desk Guides and companion webinars for LDSS staff held	CQI Plan Date- Nov 2017 revised June 2018 CQI Policy and Procedures Manual - December 2017 April 2018 Audit Compliance Desk Guides Webinars with LDSS 4/19 - Health and Well-Being 4/23 - CPS 4/25 - Placement and Permanency	
		b. a quality assurance case review process at each LDSS.	The SSA CQI Plan, that outlines both a quality assurance process and a qualitative case review, was developed in November 2017 and revised in June 2018. The QA process outlined in the CQI Plan includes strategies for monitoring LDSS compliance with state and federal regulations. The State led CFSR process outlined in the CQI Plan and the CQI Policy and procedures Manual outlines an on-site case review process that assesses quality of practice in line with federal requirements. This process was approved by the Children's Bureau in December 2017.	4/1/2018 - Maryland's CFSR reviews began; Reviews occur over a 6 month cycle with one LDSS reviewed each month	Baltimore City- April 9-16th Baltimore City- May 7- May 14th Carroll County- June 11th- June 20th

	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
2	SSA had not established procedures to monitor the LDSS's to ensure that foster children were placed in the least restrictive environment and received required services. Further, reports from the Children's Electronic Social Services Information Exchange (CHESSIE) did not accurately reflect services provided to children in foster care, which hampered the ability of SSA to monitor service delivery.	We recommend that SSA establish procedures to monitor the LDSSs to ensure compliance with foster care requirements. Specifically, we recommend that SSA			<b><u>COMPLETED</u></b>
		a. ensure that the applicable legal documentation is included in each foster child's case record	1. March 2018 - SSA worked with OTHS and modified MDCHESSIE to include a pick list and a naming convention for documents in the file cabinet. 2. April 2018- SSA conducted a webinar to guide the LDSS in uploading legal documentation into each child's case record appropriately 3. May 2018- SSA instituted a monitoring process utilizing a <b>quarterly</b> random sample of OOH cases. SSA monitors via the Out of Home Milestone report and MD CHESSIE (Court folder) for review to ensure fields are completed in compliance with SSA policy. If fields are incomplete, SSA contacts the LDSS for course correction and re-reviews to ensure compliance.	March - May 2018	<b><u>IN PROGRESS:</u></b>  Sample of records for April-June to be pulled in July 2018
		b.ensure that the LDSSs place children in the least restrictive environment and document attempts to place the child with a relative	1. April and May 2018- Baltimore City CFSR conducted. 2. April 2018- SSA conducted a webinar to guide the LDSS in documenting the least restrictive placements and all attempts to place children with relatives in MDCHESSIE 3. June 2018- SSA instituted a monitoring process utilizing a <b>quarterly</b> random sample of OOH cases. SSA monitors via MD CHESSIE (Caseplan 2, contacts, and court documentation) to ensure compliance with SSA policy. If documentation is incomplete, SSA contacts the LDSS for course correction and re-reviews to ensure compliance.	April- June 2018	<b><u>IN PROGRESS:</u></b>  Sample of records for April-June to be pulled in July 2018
		c.ensure compliance with medical, dental, and education requirements by reviewing applicable documentation	1.February 2018- SSA provided onsite technical assistance to Baltimore City DSS focused on the health benchmarks. 2. April and May 2018- Baltimore City CFSR conducted. 3. April 2018- SSA conducted a webinar to guide the LDSS on documentation of the education and health folder in MDCHESSIE. 4. May 2018- SSA began monitoring compliance of education, health and dental information via the monthly Out of Home milestone report. SSA is documenting the <b>monthly</b> trends and will utilize the information to identify training and technical assistance needs where non-compliance has been identified.	April-18	<b><u>COMPLETED</u></b>  February 15, 2018- TA Baltimore City for Health Benchmarks;
		d.ensure that all required activity is accurately reflected in CHESSIE so that CHESSIE can be effectively used as a tool to monitor case management activity.	See comment above about monitoring process	April/May 2018	<b><u>IN PROGRESS</u></b>

	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
3	SSA did not establish procedures to ensure that the LDSS's complied with State regulations regarding the initial approval of foster care providers, as well as ongoing monitoring requirements for foster care providers, adoptive parents, and guardians.	a.establish monitoring procedures, including a review of documentation, to ensure that the LDSSs approve and monitor family foster care providers in accordance with State regulations	1. April 2018- SSA conducted a webinar to guide the LDSS on the proper documentation of the Resource Homes folder. 2. June 2018- SSA developed a monitoring process to utilize a <b>quarterly</b> random sample of Resource Homes cases. SSA monitors via MD CHESSIE to ensure fields are in compliance with SSA policy. If fields are incomplete, SSA contacts the LDSS for course correction and re-reviews to ensure compliance. A provider milestone report is being created to increase sample size to be reviewed.	June-18	<u><b>IN PROGRESS:</b></u>  Sample of records for April-June to be pulled in July 2018
		b.establish monitoring procedures to ensure the LDSSs conduct required redeterminations of the continued eligibility of family foster care providers, adoptive parents, and guardians in accordance with State regulations	1. April 2018- SSA conducted a webinar to guide the LDSS on the proper documentation of the Resource Homes folder. 2. June 2018- SSA developed a monitoring process to utilize a <b>quarterly</b> random sample of Resource Homes cases. SSA monitors via MD CHESSIE to ensure fields are in compliance with SSA policy. If fields are incomplete, SSA contacts the LDSS for course correction and re-reviews to ensure compliance. A provider milestone report is being created to increase sample size to be reviewed.	June-18	<u><b>IN PROGRESS :</b></u>  Sample of records for April-June to be pulled in July 2018
		c.ensure that the LDSSs correctly record/scan all necessary documentation in CHESSIE relating to the approval, monitoring, and continued eligibility of family foster care providers, adoptive parents, and guardians, including documentation of quarterly meetings with family foster care providers.	1. April 2018- SSA conducted a webinar to guide the LDSS on the proper documentation of the Resource Homes folder. 2. June 2018- SSA developed a monitoring process to utilize a <b>quarterly</b> random sample of Resource Homes cases. SSA monitors via MD CHESSIE to ensure fields are in compliance with SSA policy. If fields are incomplete, SSA contacts the LDSS for course correction and re-reviews to ensure compliance. A provider milestone report is being created to increase sample size to be reviewed.	June-18	<u><b>IN PROGRESS :</b></u>  Sample of records for April-June to be pulled in July 2018

	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
4	SSA had not established procedures to ensure that children who remained in the foster care, adoption, or guardianship programs after they reached the age of 18 were eligible to do so and, for certain cases we reviewed, there was a lack of documentation supporting continued eligibility.	We recommend that SSA a.establish procedures to ensure that the LDSSs verify that children 18 years of age or older who remain in the foster care, adoption, or guardianship programs are eligible to remain in the applicable program, and such eligibility is accurately recorded in CHESSIE and documented	1. April 2018- SSA conducted a webinar to guide the LDSS in properly documenting the education folder and court folder. 2. June 2018- SSA implemented utilization of the the <b>monthly</b> OOH milestone report to monitor that the LDSS is ensuring that the youth 18-20 are meeting the requirements to stay in extended foster care as required per policy. SSA is identifying when information is missing, and alerting the LDSS on a monthly basis to ensure information is accurate and in accordance with policy. However, Baltimore City is under a Consent Decree and is not permitted to close any cases of foster youth prior to age 21 unless they achieve permanency. Therefore, the requirements in this policy do not apply to BCDSS.	June-18	<b><u>IN PROGRESS</u></b> :  7/1/2018
		b.document implementation of these procedures, including the resolution of cases for which the eligibility criteria stipulated in State regulations have not been met.	SSA is identifying when information is missing, and alerting the LDSS on a <b>monthly</b> basis to ensure information is accurate and in accordance with policy. However, Baltimore City is under a Consent Decree and is not permitted to close any cases of foster youth prior to age 21 unless they achieve permanency. Therefore, the requirements in this policy do not apply to BCDSS.	June-18	<b><u>IN PROGRESS</u></b> :  7/1/2018

	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
5	SSA did not have adequate procedures to ensure that it received federal reimbursement for all children eligible for Title IV-E funding. Our tests disclosed instances in which children were incorrectly determined to be ineligible, resulting in a potential loss of federal funds totaling approximately \$1 mil.	We recommend that SSA establish procedures to ensure federal reimbursement is obtained for all children eligible for Title IV-E funding. Specifically, we recommend that SSA			<u><b>IN PROGRESS</b></u>
		a.ensure that Title IV-E eligibility is properly determined for all children and recorded in CHESSIE	May 2018- SSA revised Title IV-E Procedure Manual to ensure Title IV-E eligibility is properly determined; June 2018- Trained all IV-E supervisors on new procedures outlined in the manual	June-18	<u><b>IN PROGRESS</b></u>
		b.ensure that determination and redetermination worksheets are completed for all children, are signed by the preparer and reviewed and approved by a supervisor, and include all supporting documentation	May 2018- Standard Operating Procedure for IV- E Supervisory Review was developed; June 2018- Distribution to LDSS	June-18	<u><b>IN PROGRESS</b></u>
		c.review all children who are currently determined to be ineligible, including the aforementioned cases, and obtain Title IV-E funds when possible	May 2018- Reviewed of all ineligible cases. Title IV-E has been performing re-determination on ineligible cases beginning with FY2017 (July 2016) which are due for re-determination 1 year later, Cases have been redetermined through the end of January 2017 (due for re-determination April 2018) with the exception of BaltimoreCity, which due to volume is current through December 2017. Because of the timeliness of the redetermination, corrected cases have had claims adjustment. Not counting Baltimore City (which has yet to conclude at this point) approximately 19 ineligible cases have been corrected.	Completed	<u><b>IN PROGRESS</b></u>
		d.include children classified as ineligible for Title IV-E federal reimbursement in its secondary review procedures.	July 2016 all ineligible children have undergone a secondary review for eligibility.	7/1/2016-Completed	<u><b>COMPLETED</b></u>

	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
6	SSA did not maximize the recovery of federal funds for children who were eligible to receive SSI.	We recommend that SSA maximize the recovery of federal funds for children who are eligible for SSI (repeat). Specifically, we recommend that SSA			<u><b>COMPLETED</b></u>
		a.ensure SSI is promptly collected to cover the cost of foster care for children who are only eligible for SSI	February 2018- SSA in conjunction with FIA meets monthly with Maximus to review cases. March 2018- SSA implemented quarterly meetings with LDSS and Maximus to strategize ways to improve the referral process used by LDSS to identify children potentially eligible for SSI benefits. May 2018- SSA implemented a process with Maximus to cross check referrals recieved from LDSS and ensure all appropriate referrals were received.	February-18	<u><b>COMPLETED</b></u>
		b.review all SSI eligible cases and ensure federal recoveries are maximized	May 2018- Maximus obtained the ability to remotely access CHESSIE at their office location to obtain information to initiate and process SSI/SSA applications on behalf of foster care children who may be eligible for benefits. May 2018- SSA receives the <b>monthly</b> progress reports from the vendor, SSA cross checks the list with MDCHESIE records to ensure that benefits were applied for appropriately.	March-18	<u><b>COMPLETED</b></u>
		c.for children eligible for both funding sources, prepare, document & implement a process to maximize federal funding for the cost of foster care	July 2016-SSA sought technical assistance from the Social Security Administration and it was determined that if a child is in a high cost placement and IV-E eligible, there will be no benefits as Social Security reduces the amount dollar for dollar for Title IV-E receipts.	July 2016- Completed	<u><b>COMPLETED</b></u>
7	SSA did not monitor the timeliness of child abuse and neglect investigations conducted by the LDSSs. In addition, reviews and investigations of allegations were not always performed	We recommend that SSA establish oversight procedures to ensure that the LDSS's review allegations of child abuse or neglect and conduct and complete related investigations in a timely manner, as required by SSA policy and State law.	April 2018- SSA conducted a webinar to guide the LDSS on timliness of CPS cases and ensuring appropriate documentation in MDCHESIE. May 2018- SSA began monitoring compliance of timliness of CPS cases utilizing the In Home Milestone Report. SSA is documenting the <b>monthly</b> trends and will utilize the information to identify training and technical assistance needs where non-compliance has been identified. April - May 2018- completed CFSR review in Baltimore City.	April/May 2018	<u><b>IN PROGRESS:</b></u>  Monthly

	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
8	SSA did not monitor the timeliness of required assessments of substance-exposed newborns completed by the LDSSs. In addition, these assessments were not always completed within the required time frames.	<p>We recommend that SSA</p> <p>a.establish oversight procedures to ensure that LDSSs complete required safety and risk assessments of substance-exposed newborns within the time frames required by State regulations and SSA policy, and</p> <p>b.enhance the accuracy and completeness of the aforementioned CHESSIE report to ensure it can be reliably used to monitor compliance with these requirements.</p>	<p>April 2018- SSA conducted a webinar to guide the LDSS on timeliness of assessments of SEN cases and ensuring appropriate documentation in MDCHESIE. May 2018- SSA began monitoring compliance of timeliness of SEN assessments utilizing the In Home Milestone Report. SSA is documenting the <b>monthly</b> trends and will utilize the information to identify training and technical assistance needs where non-compliance has been identified.</p> <p>April 2018- Training and Implementation on Audit Compliance Desk Guide conducted and uploaded to the HUB as a resource for LDSS staff.</p>	<p>April-18</p> <p>April-18</p>	<p><u><b>IN PROGRESS:</b></u></p> <p>Monthly</p> <p><u><b>IN PROGRESS</b></u></p>
9	SSA lacked adequate controls to ensure the LDSS's were immediately notified of children born to individuals who had previously had their parental rights terminated for abuse or neglect. In addition, SSA did not ensure that the LDSS's completed an assessment of these families and offered services when appropriate.	We recommend that SSA establish adequate procedures and controls, such as a requirement for supervisory review, to ensure that LDSSs are promptly notified of children born to individuals who have previously had their parental rights terminated by the court, and that a family assessment is completed timely if determined to be appropriate by the LDSS.	February 2018- Identified an Alternate CPS/Family Preservation Staff Person to correspond with the LDSS; May 2018-Instituted a weekly and monthly Supervisory Review of the status of the Birth Matches. Additional steps are being added during the summer of 2018 to improve the Birth Match process further: Forwarding LDSS reminder notices 10 days prior to the 30 day due date to remind LDSSs about returning a timely report to SSA about their assessment and possible services offered; and the creation of a common Birth Match email address (birth.match@maryland.gov) to serve as a central repository of SSA and LDSS correspondence.	May-18	<p><u><b>IN PROGRESS :</b></u></p> <p>7/1/2018</p>



	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
10	SSA did not ensure that overpayments made to certain providers of child placement services were identified and resolved in a timely manner.	We recommend that SSA, in conjunction with the OIG, ensure that reviews of financial reports from group homes and child placement agencies are completed in a timely manner in order to promptly identify any overpayments and ensure their proper disposition.	Improvement in OIG process to review financial audit reports as well SSA implementation of monitoring in conjunction with OIG.	December-17	<u><b>COMPLETED</b></u>
11	SSA had not established procedures to ensure that adoption assistance payments were suspended, terminated, or, as permitted, renegotiated with the adoptive parent when an adopted child was removed from the adoptive home.	a.establish procedures to ensure compliance with State regulations regarding adoption assistance payments being made for a child who has been moved from the adoptive home to an out-of-home placement; and	June 2018-SSA established procedures to review information included in the revised Adoption Subsidy Paid/Non-Paid milestone report. Performance Monitoring efforts were implemented utilizing the <b>monthly</b> adoption subsidy report, SSA monitors Adoption Subsidies to ensure that if a <b>Removal Episode</b> occurred and the youth was placed in OOH care, the subsidy was suspended/stopped, per Policy Directive. If the LDSS failed to complete this step, SSA contacts the LDSS for course correction and re-reviews to ensure compliance.	June-18	<u><b>COMPLETED</b></u>
		b.review adoption assistance payments made on behalf of children in out-of-home placement, including for the aforementioned children, and recover any amounts that were inappropriately paid.	Review of cases completed and it was determined that for the aforementioned cases DHS/SSA will not seek recovery. However, when practical and possible DHS will pursue recovery of inappropriately payments	March-18	<u><b>IN PROGRESS</b></u>

	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
12	Ancillary expenditures incurred by the LDSSs to further support children in social services programs were not adequately controlled.	We recommend that SSA ensure adequate control over ancillary expenditures made to support children in social services programs by requiring and verifying LDSS compliance with the aforementioned State regulations.	-SSA to reiterate flexible spending COMAR Regulation via SSA Steering Committee with Local Directors and Assistant Directors; Seek regulation change	June-18	<u><b>IN PROGRESS :</b></u>  7/11/2018
13	SSA did not approve certain adoption assistance rates being paid by LDSSs as required by SSA policy.	We recommend that SSA a.ensure each LDSS obtains SSA approval, as required, prior to processing adoption assistance rates greater than the current maximum allowed rate; and	Procedures Established to review information included revised milestone report. Performance Monitoring efforts implemented utilizing the monthly adoption subsidy report, SSA monitors Adoption Subsidies to ensure SSA approval was granted for all youth receiving above the intermediate board rate subsidy payments as stated in the Audit Finding training and Policy Directive. If the LDSS failed to complete this step, SSA contacts the LDSS for course correction and re-reviews to ensure compliance.	June-18	<u><b>IN PROGRESS:</b></u>  June 1, 2018- To be reviewed continuously on monthly basis
		b.take steps to periodically identify the use of rates greater than the maximum allowed rate to verify that the rates were approved as required.	SSA reviews overpayment reports monthly, in order to alert LDSS to address any overpayment issues.	May-18	<u><b>IN PROGRESS :</b></u>  June 1, 2018- To be reviewed continuously on monthly basis

	FINDING	RECOMMENDATION	ACTION TAKEN FOR EACH RECOMENDATION	PROCESS IMPLEMENTATION DATE	PLANNED / COMPLETED MONITORING REVIEWS
14	SSA did not ensure that payments made to a State university for three interagency agreements were adequately supported, were reasonable in relation to the tasks performed, and were made in accordance with the terms of the agreements.	We recommend that SSA a.obtain and review detailed time records (timesheets), including hours worked by each employee by task, to support the propriety of labor charges billed, and to monitor the State university's efforts to complete the tasks (repeat);	Note: DHS is in discussions to determine how best to address Audit concerns about State University Interagency Agreements. Currently SSA is continuing to use the methods established in response to the prior audit (2014) to review invoices for these three interagency agreements.	N/A	<u>IN PROGRESS</u>
		b.compare the State university's payroll records (payroll register) to labor charges billed to ensure amounts billed are accurate (repeat);	SSA has approved the salaries paid under the agreement with the review and approval of the DHS Monthly Invoice Detail Form, UMB Funding Profile of funding changes of effort, and timesheets that are classified as payroll sheets.	N/A	<u>IN PROGRESS</u>
		c.compare labor charges for each employee with the amounts specified in the agreement and investigate any variances;	SSA instituted an improvement in the documentation supporting each invoice received for all university contracts including a listing of staff persons (and any notifications about staff or salary changes) associated with the agreement, areas of the scope of work under which the staff worked during the month, signed timesheets relating to the staff work during the month, and invoices relating to non-labor costs charged during the month.	N/A	<u>IN PROGRESS</u>
		d.amend the interagency agreements to include provisions for personnel changes or additions and document approval for all changes in personnel, including the costs associated with each employee; and	The prior audit (2013) stated "the invoices did not identify the specific employees who performed services during the billing periods, the hours worked, and the related salary costs." The documentation process instituted in response to the prior audit does identify specific employees, the hours worked (as based on their level of effort in a 40 hour week), and their salary costs. SSA did in good faith comply with the audit recommendation, and this was a considerable effort adding additional time for both UMB to produce and SSA to review as part of the monthly invoice submission/review process. These agreements have never been paid more than the budgeted amount, and although at times the salaries of some staff members have exceeded the individual budgeted amounts, those increases were approved through the monthly invoice documentation process, as noted above.	N/A	<u>IN PROGRESS</u>
		e.obtain and review adequate documentation to support the propriety of amounts billed for work performed by subcontractors, such as subcontractor billings.		N/A	<u>IN PROGRESS</u>

## APPENDIX B



Larry Hogan, Governor | Boyd K. Rutherford, Lt. Governor | Lourdes R. Padilla, Secretary

January 3, 2019


Mr. Gregory A. Hook  
Legislative Auditor  
Office of Legislative Audits  
301 West Preston Street, Room 1202  
Baltimore, Maryland 21201

Mr. Hook,

Please find enclosed the Department of Human Services' (DHS) response to your letter dated December 6, 2018. Per your request, we have responded to each conclusion noted in your follow-up to the Social Services Administration (SSA) audit issued on November 20, 2017.

If you have any questions regarding the responses, please contact Inspector General Kevin Carson at 443-378-4060 or at [kevin.carson@maryland.gov](mailto:kevin.carson@maryland.gov).

Sincerely,

  
Lourdes R. Padilla  
Secretary

Enclosures:

cc:

Gregory James, Deputy Secretary, Operations  
Randi Walters, Deputy Secretary, Programs  
Craig Eichler, Chief of Staff  
Samantha Blizzard, Special Assistant, Office of the Secretary  
Kevin J. Carson, Inspector General, OIG  
Rebecca Jones Gaston, Executive Director, SSA



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**Prior Finding 1**

**The Social Services Administration (SSA) did not have comprehensive quality assurance processes in place to adequately monitor the administration of child welfare program services by the State's local department of social services (LDSSs).**

**Prior Report Recommendation 1**

We recommend that SSA establish comprehensive quality assurance processes to ensure its child welfare programs are effectively and properly administered by the LDSSs. Specifically, we recommend that SSA develop, implement, and oversee

- a. comprehensive written procedures for monitoring program services and functions to ensure compliance with applicable laws, regulations, and policies; appropriate and timely recordkeeping; and the maintenance of supporting documentation related to services and functions performed; and
- b. a quality assurance case review process at each LDSS.

Agency Response			
<b>Auditor's Assessment of Status – In Progress</b>	<b>Not Factually Accurate</b>		
<b>Recommendation a</b>	Agree	<b>Estimated Completion Date:</b>	Ongoing
<b>Please provide details of corrective action or explain disagreement.</b>	SSA developed and revised Standard Operating Procedures (SOPs) for each of the findings to ensure standardized monitoring and sampling across programs. The revisions to each of the SOPs are addressed in each of the subsequent findings.		
<b>Recommendation b</b>	Agree	<b>Estimated Completion Date:</b>	Ongoing
<b>Please provide details of corrective action or explain disagreement.</b>	<p>SSA has established an onsite case review process that includes all local departments and has been approved by our federal partners. The onsite review process established will allow for all jurisdictions to be reviewed on a three year cycle with the exception of Baltimore City which will be reviewed every six months. SSA is working with the LDSS to develop an interim review process for those jurisdictions that are on a three year cycle.</p> <p>SSA has completed onsite reviews for Baltimore City (April and May 2018), Carroll (June 2018), Anne Arundel (July 2018), Allegany (August 2018), and Queen Anne's (September 2018). Final reports were issued for Baltimore City in July 2018 and Carroll County in August 2018. Anne Arundel County's report has received executive office approval and will be issued soon. Allegany and Queen Anne's Counties are pending.</p>		

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<b>Recommendation c</b>	<b>Choose an item</b>	<b>Estimated Completion Date:</b>	N/A
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**Prior Finding 2**

**SSA had not established procedures to monitor the LDSSs to ensure that foster children were placed in the least restrictive environment and received required services. Further, reports from the Children's Electronic Social Services Information Exchanges (CHESSIE) did not accurately reflect services provided to children in foster care, which hampered the ability of SSA to monitor service delivery.**

**Prior Report Recommendation 2**

We recommend that SSA establish procedures to monitor the LDSSs to ensure compliance with foster care requirements. Specifically, we recommend that SSA

- a. ensure that the applicable legal documentation is included in each foster child's case record;
- b. ensure that the LDSSs place children in the least restrictive environment and document attempts to place the child with a relative;
- c. ensure compliance with medical, dental, and education requirements by reviewing applicable documentation; and
- d. ensure that all required activity is accurately reflected in CHESSIE so that CHESSIE can be effectively used as a tool to monitor case management activity.

<b>Agency Response</b>			
<b>Auditor's Assessment of Status – In Progress</b>	<b>Factually Accurate</b>		
<b>Recommendation a</b>	Agree	<b>Estimated Completion Date:</b>	November 2018
<b>Please provide details of corrective action or explain disagreement.</b>	SSA finalized revisions to the Legal Placement SOP and Stratified Random Sample (SRS) process in November 2018. The SRS SOP was revised to specify how many cases were to be selected for monitoring purposes. The Legal Placement SOP was revised to include the applicable legal documents to be uploaded into CHESSIE.		
<b>Recommendation b</b>	Agree	<b>Estimated Completion Date:</b>	November 2018
<b>Please provide details of corrective action or explain disagreement.</b>	SSA finalized revisions to the Least Restrictive Placement SOP and Stratified Random Sample (SRS) process in November 2018. The SRS SOP was revised to specify how many cases were to be selected for monitoring purposes. The Least Restrictive Placement SOP was revised to include the documents to be uploaded into CHESSIE.		

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<b>Recommendation c</b>	Agree	<b>Estimated Completion Date:</b>	September 2018
<b>Please provide details of corrective action or explain disagreement.</b>	While the auditors were onsite in July 2018, SSA corrected the sampling process to ensure that children were not incorrectly excluded from the sample and revised the SOP to ensure consistent follow up with the LDSS to resolve any issues.		
<b>Recommendation d</b>	Agree	<b>Estimated Completion Date:</b>	November 2018
<b>Please provide details of corrective action or explain disagreement.</b>	Between September and November 2018, SSA updated SOPs to include a review of CHESSIE for appropriate documentation as well as procedures for conducting outreach to the LDSS to ensure that all required activity is accurately reflected in CHESSIE.		

**Note:** Please note that SSA's monitoring process involves reviewing local data and identifying trends by tracking which local departments are consistently and accurately reflecting required activity in CHESSIE and those that need additional technical assistance to address systemic barriers to accurately reflect required activity in CHESSIE.

**Prior Finding 3**

**SSA did not establish procedures to ensure that the LDSS complied with State regulations regarding the initial approval of foster care providers, as well as ongoing monitoring requirements for foster care providers, adoptive parents, and guardians.**

**Prior Report Recommendation 3**

We recommend that SSA

- a. establish monitoring procedures, including a review of documentation, to ensure that the LDSSs approve and monitor family foster care providers in accordance with State regulations;
- b. establish monitoring procedures to ensure the LDSSs conduct required redeterminations of the continued eligibility of family foster care providers, adoptive parents, and guardians in accordance with State regulations; and
- c. ensure that the LDSSs correctly record/scan all necessary documentation in CHESSIE relating to the approval, monitoring, and continued eligibility of family foster care providers, adoptive parents, and guardians, including documentation of quarterly meetings with family foster care providers.

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<b>Agency Response</b>			
<b>Auditor's Assessment of Status – In Progress</b>	<b>Factually Accurate</b>		
<b>Recommendation a</b>	Agree	<b>Estimated Completion Date:</b>	September 2018
<b>Please provide details of corrective action or explain disagreement.</b>	In September 2018, SSA revised the Resource Home and SRS SOPs to identify a complete sample of resource, adoption, and guardianship homes that will allow for a more accurate monitoring process. SSA specifically disagrees with the recommendation to increase the number of cases selected if errors were noted because the process being implemented allows for a continuous and ongoing review.		
<b>Recommendation b</b>	Agree	<b>Estimated Completion Date:</b>	November 2018
<b>Please provide details of corrective action or explain disagreement.</b>	Between September and November 2018, SSA revised the Resource Home and SRS SOPs to identify a complete sample of resource, adoption, and guardianship homes that will allow for a more accurate monitoring process.		
<b>Recommendation c</b>	Disagree	<b>Estimated Completion Date:</b>	April 2018
<b>Please provide details of corrective action or explain disagreement.</b>	In April 2018, SSA completed a Desk Guide and training that reviewed the required documentation to be recorded/scanned into CHESSIE. The training was recorded and continues to be available to the LDSS staff. In addition, the Resource Home SOPs include the appropriate policy directive which identifies the documentation that should be recorded/scanned into CHESSIE.		



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**Prior Finding 5**

**SSA did not have adequate procedures to ensure that it received federal reimbursement for all children eligible for Title IV-E funding. Our tests disclosed instances in which children were incorrectly determined to be ineligible, resulting in a potential loss of federal funds totaling approximately \$1 million.**

**Prior Recommendation 5**

We recommend that SSA establish procedures to ensure federal reimbursement is obtained for all children eligible for Title IV-E funding. Specifically, we recommend that SSA

- a. ensure that Title IV-E eligibility is properly determined for all children and recorded in CHESSIE;
- b. ensure that determination and redetermination worksheets are completed for all children, are signed by the preparer and reviewed and approved by a supervisor, and include all supporting documentation;
- c. review all children who are currently determined to be ineligible, including the aforementioned cases, and obtain Title IV-E funds when possible; and
- d. include children classified as ineligible for Title IV-E federal reimbursement in its secondary review procedures.

Agency Response			
<b>Auditor's Assessment of Status – In Progress</b>	<b>Not Factually Accurate</b>		
<b>Recommendation a</b>	Disagree	<b>Estimated Completion Date:</b>	March 2017
<b>Please provide details of corrective action or explain disagreement.</b>	SSA developed a "Title IV-E Paperless Process SOP" in March 2017 which addresses the process for completing a Title IV-E eligibility determination/redetermination for all children in Foster Care, Adoption and the Guardianship Assistance Program (GAP). The SOP defines the documents that are to be reviewed and saved in MD CHESSIE for each program. The SOP also defines the procedure for sign-off, supervisory approval and storage of the final output document in MD CHESSIE. In addition, SSA will be implementing a Skills Assessment that will be posted on the HUB for Title IV-E staff to identify areas of need so that ongoing training can be better targeted.		

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<b>Recommendation b</b>	Agree	<b>Estimated Completion Date:</b>	March 2017
<b>Please provide details of corrective action or explain disagreement.</b>	<p>SSA developed a "Title IV-E Paperless Process SOP" in March 2017 which addresses the process for completing a Title IV-E eligibility determination/redetermination for all children in foster care, adoption and GAP. The SOP details how to complete the determination or redetermination in MD CHESSIE, printing or downloading the worksheets, the procedure for sign-off, supervisory approval and storage of the final output worksheet document in MD CHESSIE. The Title IV-E Supervisory Review Instrument has been revised and SSA is in the process of creating an equivalent Title IV-E Supervisory Instrument for Adoption and GAP determinations.</p> <p>On December 11, 2018, SSA provided training to Title IV-E supervisory staff related to the instructions for the Supervisory Review Instrument.</p>		
<b>Recommendation c</b>	Agree	<b>Estimated Completion Date:</b>	September 2017
<b>Please provide details of corrective action or explain disagreement.</b>	<p>SSA completed a 100% review of all children determined to be ineligible in foster care, adoption and GAP for federal fiscal year (FFY) 2017 in September 2017. FFY 2017 was chosen as this was the period for which Title-IV funds could have been recouped if errors were found. This process is now a standard practice as all ineligible cases receive a first year redetermination. SSA developed an SOP to address ongoing requirements for review/redetermination of ineligible cases.</p>		
<b>Recommendation d</b>	Agree	<b>Estimated Completion Date:</b>	August 2018
<b>Please provide details of corrective action or explain disagreement.</b>	<p>SSA began performing the planned secondary review on August 1, 2018 of five percent of the foster children determined to be ineligible. The secondary review will continue as a standard practice as part of the Quality Assurance (QA) procedure.</p>		

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**Prior Finding 7**

**SSA did not monitor the timeliness of child abuse and neglect investigations conducted by the LDSSs. In addition, reviews and investigations of allegations were not always performed timely.**

**Prior Report Recommendation 7**

We recommend that SSA establish oversight procedures to ensure that the LDSSs review allegations of child abuse or neglect and conduct and complete related investigations in a timely manner, as required by SSA policy and State law.

Agency Response			
Auditor's Assessment of Status – In Progress	Factually Accurate		
Recommendation	Agree	Estimated Completion Date:	Ongoing
Please provide details of corrective action or explain disagreement.	SSA revised the Screening SOP to reflect the updated approach to identifying cases to be reviewed. Between May and August 2018, SSA revised the allegations report to include the screening received date/time, approval request date, supervisor approved date and the length of time between the screening received date/time and the supervisor approved date. Based on the report SSA sent out instructions related to the screening approval process including documenting when an approval took longer than the required time. SSA has received responses back from the LDSS regarding the reasons for any referral that took longer than one (1) day to approve. In October 2018, SSA finalized the Face-to-Face Mandated Response Time SOP. Based on these procedures a report is being developed and monitoring will begin with the issuance of the first report. SSA will continue to send out this report and to monitor the timeliness of this finding.		

**Note: Please note that SSA's monitoring process involves reviewing local data and identifying trends by tracking which local departments are consistently and accurately reflecting required activity in CHESSIE and those that need additional technical assistance to address systemic barriers to accurately reflect required activity in CHESSIE.**

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**Prior Finding 11**

**SSA had not established procedures to ensure that adoption assistance payments were suspended, terminated, or, as permitted, renegotiated with the adoptive parent when an adopted child was removed from the adoptive home.**

**Prior Report Recommendation 11**

We recommend that SSA

- a. establish procedures to ensure compliance with State regulations regarding adoption assistance payments being made for a child who has been moved from the adoptive home to an out-of-home placement; and
- b. review adoption assistance payments made on behalf of children in out-of-home placement, including for the aforementioned children, and recover any amounts that were inappropriately paid.

Agency Response			
<b>Auditor's Assessment of Status – In Progress</b>	<b>Factually Accurate</b>		
<b>Recommendation a</b>	Agree	<b>Estimated Completion Date:</b>	November 2018
<b>Please provide details of corrective action or explain disagreement.</b>	In November 2018, SSA finalized the process for identifying children who had been moved from an adoptive home to an out of home placement. Accordingly, to correct the issues noted by OLA an SOP has been modified to ensure proper monitoring of Adoption and Guardianship subsidies.		
<b>Recommendation b</b>	Agree	<b>Estimated Completion Date:</b>	November 2018
<b>Please provide details of corrective action or explain disagreement.</b>	In November 2018, SSA finalized procedures as part of the Adoption/Guardianship Quarterly Monitoring process to ensure that there is adequate monitoring of adoption assistance payments.		

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