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## In-Home Supportive Services

*The State Could Do More to Help Providers Avoid Future Payment Delays*

### Background

The In-Home Supportive Services (IHSS) program employs caregivers (providers) who provide services to eligible individuals—low-income people who are also aged, blind, or disabled—so they can remain in their homes as an alternative to receiving out-of-home care. Although several state departments have a role in the IHSS program, the California Department of Social Services (Social Services) is responsible for overseeing and monitoring the administration of IHSS which is administered at the local level through county welfare offices. Social Services contracts with the Office of Systems Integration (OSI) to perform most of the project management activities related to paying over 460,000 providers who deliver in-home services to nearly 548,000 eligible recipients.

### Key Recommendations

- To facilitate time reporting and reduce the risk of providers inadvertently exceeding their authorized hours, the Legislature should amend state law to align the IHSS workweek with the pay period.
- To improve its oversight of the IHSS payment process, Social Services should:
  - » Develop and issue procedures by July 2017 to ensure that counties are handling timesheet exceptions consistently and minimizing delays by requiring counties to first attempt to correct exceptions.
  - » Develop a timesheet exception report from the payroll system to enable county staff to resolve exceptions efficiently by identifying common exceptions and providers with recurring exceptions.
  - » Ensure OSI adequately monitors the payroll system contractor and obtains key data to proactively manage the IHSS program and regularly review data to detect any processing discrepancies among counties.

### Key Findings

- Social Services has not provided adequate direction or appropriate tools for counties to effectively monitor and resolve provider timesheet errors (exceptions) that has resulted in inconsistent methods of addressing issues and delays in paying providers, which contribute to financial hardship.
  - » Because Social Services does not require counties to initially review and attempt to fix exceptions, some counties exclusively use a less efficient method of directing providers to submit replacement timesheets, thus prolonging the payment process.
  - » The payroll system does not report on timesheet exceptions in a manner that allows counties to identify trends such as providers who repeatedly make errors or experience payment delays so as to address and reduce these occurrences.
  - » The system does not proactively notify providers about the status of timesheets and paychecks—providers must contact their county or the State to learn about the status—one county we reviewed processed over 15,000 calls in one month mostly related to these types of inquiries.
- Social Services and OSI have not analyzed key information that could aid in monitoring timesheet exceptions and payments—the timesheet processor has not provided them with data on the time it takes to process timesheets, the number with exceptions by county, or the time it takes to resolve exceptions as called for in its contract.
- Social Services does not have a process for monitoring whether other state departments print and mail timesheets or paychecks within their contracted time frames.
- Although providers and recipients provide feedback to Social Services on issues with IHSS, including timesheets and payments, Social Services does not aggregate and analyze the concerns so that it can address systemic issues.
- State law requires that providers follow two conflicting time-reporting protocols which could result in providers exceeding their number of authorized hours, thus jeopardizing their participation in the IHSS program.