



PERFORMANCE AUDIT REPORT

The Kansas Eligibility Enforcement System: Evaluating the Accuracy and Usefulness of KEES Reports and Notices

**A Report to the Legislative Post Audit Committee
By the Legislative Division of Post Audit
State of Kansas**

December 2017

Legislative Division of Post Audit

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December 15, 2017

To: Members, Legislative Post Audit Committee

This report contains the findings, conclusions, and recommendations from our completed performance audit, *The Kansas Eligibility Enforcement System: Evaluating the Accuracy and Usefulness of KEES Reports and Notices*. The audit was requested by the Legislative Post Audit Committee. The audit team included Matt Etzel and Josh Luthi. Justin Stowe was the audit manager.

We would be happy to discuss the findings, conclusions, and recommendations presented in this report with any legislative committees, individual legislators, or other state officials.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Frank', written in a cursive style.

Scott Frank
Legislative Post Auditor

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The Kansas Eligibility Enforcement System: Evaluating the Accuracy and Usefulness of KEES Reports and Notices

Background Information

The Kansas Eligibility Enforcement System (KEES) is an information system that helps determine eligibility for the state's medical and social service programs. In 2011, Kansas signed a contract with Accenture to develop this system. KEES is administered by the Kansas Department of Health and Environment (KDHE) and, as of August 2017, supports eligibility determinations for both the state's medical and social service programs.

In November 2016, members of the Robert G. (Bob) Bethell Committee on Home and Community Based Services and KanCare Oversight heard testimony about the strengths and weaknesses of the KanCare program, including the KEES system. That testimony, in combination with legislators' communication with KEES users and constituents, raised several concerns about the automation, efficiency, and accuracy of KEES.

Objectives, Scope and Methodology

On April 28, 2017, the Legislative Post Audit Committee approved an audit of the state's Medicaid program. For reporting purposes, we divided the three objectives included in that original request into three separate audit reports. A copy of the original audit proposal is included in *Appendix B*. This performance audit answers the following question:

1. Are reports and notices produced by the Kansas Eligibility Enforcement System accurate and useful?

To answer this question, we interviewed KDHE officials and reviewed a sample of KEES notices and reports. To evaluate the accuracy and usefulness of notices, we reviewed a selection of KEES notices, the underlying documentation that supported them, and whether they met KDHE's internal requirements. To evaluate the accuracy and usefulness of reports, we reviewed a selection of KEES reports for possible errors and reviewed the code used to generate them. Finally, we interviewed KDHE and contractor officials to determine what controls they have in place to ensure reports and notices are accurate.

Compliance with Generally Accepted Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Overview of the Kansas Eligibility Enforcement System (KEES)

KEES is an Integrated Eligibility Determination System for the State's Medical and Social Service Programs

Kansas administers numerous medical and social service programs, including KanCare (Medicaid), Temporary Assistance for Needy Families (TANF), and MediKan (a program for disabled individuals who are not Medicaid-eligible). Applicants for these programs must meet certain criteria, such as income thresholds, to be eligible for these programs. The Kansas Eligibility Enforcement System (KEES) helps state agencies process applications and determine consumer eligibility for these programs.

According to KDHE staff, Accenture completed the KEES project in August 2017, but the system will have ongoing improvements and maintenance. In 2011, the state signed a contract with Accenture to design and build KEES, a new eligibility determination system for medical and social service programs. The KEES project had three major components: a publicly available web portal, an eligibility system for medical programs, and an eligibility system for social service programs. Accenture completed the web portal in July 2012, the medical eligibility system in July 2015, and the social services eligibility system in August 2017. KDHE staff told us they now plan to focus on updating and maintaining the system.

State agencies and their contractors use KEES to determine whether applicants are eligible for the state's medical and social service programs. The eligibility determination process includes several steps. Staff at the KanCare Clearinghouse, a center operated by an outside contractor to help the state process medical assistance applications, first enters the application information into KEES for eligibility determination. Once in the system, clearinghouse staff use KEES to verify the accuracy of the application data. For example, staff can use KEES to compare an applicant's reported income to data in a Kansas Department of Labor database. Once the application information is verified, KEES uses a rules-based system to compare consumer information to program criteria to determine program eligibility. However, eligibility staff are ultimately responsible for ensuring determinations are correct.

KEES' ability to automatically process applications is limited and the system requires human intervention to determine eligibility. Although the original scope of KEES automation is unclear, KDHE officials publicly implied the new system would create new efficiencies by automating at least part of the process. However, according to KDHE and clearinghouse staff, KEES can only import a limited number of brand new applications directly into the system. Additionally, once all consumer data is entered in

the system, KEES can automatically determine program eligibility by comparing consumer information to program criteria. All other intervening steps, such as updating and verifying consumer information, must be done through worker-involved processes.

KEES Generates Notices and Reports for the Medical and Social Service Programs It Supports

KEES generates notices to update consumers on the status of their benefits. After eligibility is determined, KEES automatically generates notices to update individuals on the status of their applications. KEES transmits notices electronically to the state printer nightly where they are then printed and mailed to consumers. Notices can inform an applicant whether they were approved or denied for benefits. They can also inform existing consumers of any changes to their benefits. KDHE staff told us this is a complicated process for KEES because it requires the system to combine several different standard messages to create a notice tailored to the beneficiary's unique circumstances. Because of the complexity of this process, KDHE policy requires eligibility staff to manually review the notices for accuracy and completeness before the notices are sent.

KEES also generates reports for KDHE staff and other stakeholders to help manage the state's medical and social service programs. As originally designed, KEES could generate around 100 different standard reports related to the medical and social service programs it supports. For example, stakeholders can generate reports to show total enrollment by medical program or eligibility workers' assigned tasks. Additionally, KDHE staff can design custom KEES reports to fulfill one-time data requests or provide specific information that falls outside the scope of the system's standard reports.

Question 1: Are Reports and Notices Produced by the Kansas Eligibility Enforcement System Accurate and Useful?

The KEES notices and reports we reviewed appeared accurate, but were not always easy to understand, complete, or useful.

The KEES notices we reviewed were accurate but not always complete (p. 5). Additionally, several of the notices we reviewed could be improved if they were less duplicative and easier to understand (p. 6). Finally, the KEES management reports we reviewed appeared accurate, but many were not used (p. 8).

FINDINGS RELATED TO KEES NOTICES

The KEES Notices We Reviewed Were Accurate But Not Always Complete

KEES automatically generates notices after each eligibility determination to update consumers on the status of their benefits. We selected a non-projectable sample of 18 total medical notices from 2015 and 2017 to review for accuracy, completeness, and clarity. Medical programs include Medicaid and the Children’s Health Insurance Program (CHIP). We did not review social service notices because the social service component of KEES was not implemented until after our audit began. For simplicity, we refer to both medical applicants and existing beneficiaries as “consumers” through the remainder of the report.

Our review showed KEES generated notices with accurate consumer information. We compared consumer names, case numbers, and eligibility information for a subset of 7 of the 18 notices to underlying documentation in KEES to determine if the notices contained accurate information. In all seven cases, the demographic and eligibility information in the notices matched the information in the underlying documentation. We did find one case where an eligibility worker made an error, and KEES pulled the error into a notice. However, the eligibility worker, not KEES, was responsible for this error. Ultimately, this consumer worked with KDHE staff to resolve the error.

However, 6 of 18 notices (33%) did not contain all the information required under KDHE policy. KDHE policy requires notices contain certain mandatory language. For example, notices must explain the specific reason a consumer’s application was denied or the reason a consumer lost existing benefits. KDHE policy also requires notices include other standard language, such as consumers’ responsibility to report a change of income. According to KDHE policy, notices should not be sent to consumers if they are missing any of this information.

- **Our review showed 2 of 18 notices (11%) were missing detailed information about why a consumer was denied or lost medical benefits.** In one case, a notice informed a consumer their application for Medicaid was denied, but did not explain why. In the second case, the notice told the consumer they were no longer eligible for Medicaid, but did not explain the reason. In both cases, the lack of an explanation could be confusing and frustrating for the consumer, and result in additional work for KDHE, the KanCare Clearinghouse, or other stakeholders involved with the state’s medical programs.
- **Our review also showed 4 of 18 notices (22%) were missing standard language.** One notice did not inform consumers they needed to use existing medical insurance prior to using their state benefits. The other three notices did not inform consumers of their responsibility to report any change in income to KDHE. According to KDHE staff, beneficiaries currently would not be penalized for failure to comply with these instructions. However, including this language in the notices could help avoid unnecessary consumer confusion.

KDHE staff acknowledged the notices do not always include all the required information, and plan to start addressing this issue now that KEES is fully implemented. According to KDHE staff, automatically generating case-specific language for a notice is a complicated and dynamic process for KEES. However, they told us they are aware of this issue and have made it a priority to improve KEES’ underlying code. KDHE staff expect these changes to be implemented by September 2018. Additionally, KDHE lacks a formal process for management to periodically review notices to ensure eligibility staff are conducting their reviews according to KDHE policy. However, staff told us they have begun developing a new quality control process for the notices, which they hope to implement by June 2018.

Several of the Notices We Reviewed Could be Improved if They Were Less Duplicative and Easier to Understand

In addition to being accurate and complete, we also evaluated the usefulness of KEES notices. For this, we reviewed the same non-projectable sample of 18 notices to determine how easy they were to understand. Specifically, we looked for examples of duplicative or overly technical language in the notices.

Although all 18 notices conveyed accurate information, many included overly technical or duplicative language that made them difficult to read. Of the 18 notices we reviewed, 10 had duplicative language and 13 included technical language regarding consumers’ benefits. *Figures 1-1* and *1-2* on the next page show examples of language in KEES notices. As *Figure 1-1* shows, one notice we reviewed informed the consumer of the status of their benefits. However, the notice included technical Medicaid language that made the notice difficult to read. In *Figure 1-2*, the notice repeated the consumer’s out-of-pocket obligation several times, each time using slightly different language.

**Figure 1-1
Example of Technical Language in a KEES Consumer Notice**

We are changing your Medical Assistance coverage or benefits effective 08/01/2016 for the following individuals:

[REDACTED]

People eligible for coverage will get a medical ID card. We will send a medical card to new members. If you need a medical card replaced, call 1-866-305-5147. Show the card to all medical providers when you get services. If you do not show your card, you may have to pay the bill.

Some members will get the medical card through KanCare. People in KanCare must have a health plan. We will send an enrollment packet telling what KanCare health plan you have been assigned. It will also tell you how to change plans. The health plan will send a welcome packet and the medical card in a few days.

[REDACTED] has been approved for Medical Assistance starting 08/01/2016.

The Medicaid ID number is [REDACTED]

[REDACTED] will receive Medical Assistance under the MAGI TITLE 19-Newborn program beginning 08/01/2016.

KanCare coverage has been added for the newborn child for the month of: 08/2016.

[REDACTED] will receive Medical Assistance under the MAGI TITLE 19-PLP - Age 6-18 FPL less than 113% or 113% to 133% w/insurance program beginning 08/01/2016.

[REDACTED] will no longer receive benefits under the MAGI CHIP-CHIP Child Age 6-18 program as of 07/31/2016.

For children who are changing from KanCare Medicaid to KanCare CHIP, coverage starts when the child is signed up with the KanCare health plan.

This action is based on the Kansas Family Medical Assistance Manual section(s) 07120.

If you need help getting child support for a child who is living with you, the State of Kansas Child Support Services (CSS) program may be able to help you. The CSS program may also help the absent parent get

Source: Kansas Eligibility Enforcement System notice

Technical Language

**Figure 1-2
Example of Duplicative Language in a KEES Consumer Notice**

Note for people who also have Medicare coverage: We will help pay your Medicare costs. We will pay the Part B premium. You are also eligible for help with Medicare Part D Prescription Drug Plan costs. This extra help includes paying the basic premium costs and deductibles. It also helps with copayments. If you have not signed up for a Medicare Prescription Drug Plan, sign up now. Call 1-800-633-4227 for Part D information.

The obligation is your share of the cost of coverage for institutional costs and other medical expenses.

Your obligation is now \$707.00 effective 12/01/2015.

Beginning 12/01/2015 your obligation is \$707.00. This amount is your share of the cost of care. The amount of the obligation remains the same each month until you are advised otherwise. You must notify your case worker of any changes within 10 days.

Your share of cost for Long Term Care services is \$707.00 beginning 12/01/2015. You will pay this amount every month. We will tell you when this amount changes.

Source: Kansas Eligibility Enforcement System notice

Duplicative Language

Given the complexity of the state's medical programs, it is important these notices be as simple and easy to understand as possible. Any consumer confusion over the notices could result in additional work for KDHE, the KanCare Clearinghouse, or other stakeholders involved with the state's medical programs.

KDHE officials acknowledged the notices could be more clear and told us they are working to improve the notice language. KDHE officials told us they are aware the notices could be more accessible to consumers, but the underlying code for the notices would need to be modified to accomplish this. They told us improving the quality of KEES notices is a priority now that KEES phase three is implemented and hope to have this completed by September 2018.

FINDINGS RELATED TO KEES REPORTS

The KEES Management Reports We Reviewed Appeared Accurate, but Many Were Not Used

KEES produces reports for KDHE, the KanCare Clearinghouse, and other stakeholders to help them manage the state's medical and social service programs. We interviewed staff with KDHE, the KanCare Clearinghouse, and Accenture (the state's IT contractor for KEES) to collect their opinions on the accuracy and usefulness of KEES reports.

We also reviewed a non-projectable sample of six KEES reports for accuracy. Four of the six reports we reviewed were standard reports created by Accenture. The other two reports were custom reports developed by KDHE. We chose these reports based on our assessment of their impact to consumers and management, KDHE's assessment of their importance, and how frequently the reports were used.

KEES has two types of management reports: standard reports created by Accenture and custom reports created by KDHE. During the initial planning for KEES, KDHE staff worked with Accenture to design about 100 standard reports to help manage the state's medical programs. These reports include information such as tasks eligibility workers need to complete, how long various applications take to process, and program consumer counts. Additionally, KEES provides KDHE staff the ability to design custom reports to fulfill one-time data requests or provide information that falls outside the scope of the standard reports. KDHE also has the option of working with Accenture staff to help design more complex custom reports.

Accenture began producing standard KEES reports in 2015, but few KDHE staff appear to use them any longer. In July 2015, Accenture began producing about 100 standard KEES

reports. Around this time, KDHE and clearinghouse staff identified errors in the reports that, in their opinion, made the reports inaccurate and subsequently not useful to help inform management decisions. According to KDHE staff, data conversion problems between KEES and the previous legacy systems may have caused some of these errors. KDHE staff told us many of the standard reports have gone unused since the initial errors were discovered in 2015.

In an especially prominent case in 2016, an error with one of Accenture's standard reports caused KDHE to underreport the number of backlogged Medicaid applications to legislators. In this case, KDHE was relying on a standard KEES report to track the state's backlogged Medicaid applications. However, our 2016 audit of the Medicaid backlog found that Accenture's definition of a backlogged application differed from KDHE's. This misunderstanding between Accenture and KDHE resulted in an error that underreported the number of backlogged applicants by about 12,000. As of our 2016 audit, KDHE officials told us they had worked with Accenture to correct this reporting error.

KDHE officials reported that in January 2017, Accenture began designing six new standard report groups that would provide accurate and valid information necessary to manage the Medicaid eligibility processes. KDHE reported that these new reports were completed in August 2017, but efforts are ongoing to educate and train staff on the changes and capabilities of the new standard reports.

KDHE allows staff to design custom reports from the KEES system, but lacks formal controls over this process. Since 2015, KDHE staff have designed several of their own custom reports in place of Accenture's standard reports. These reports help staff track things like consumers whose medical benefits may have expired or consumers who have not submitted all required documentation. KDHE staff told us most staff rely on the custom reports for information instead of the standard reports developed by Accenture.

KDHE's pre-production testing process for custom reports could be improved. We would expect KDHE to have a standard and documented testing process to ensure custom reports function as intended before being used by eligibility staff. Although KDHE and Accenture staff described some pre-production testing, the tests they described were not standardized or documented. Standardizing this process would help ensure all reports pass the same series of tests before being used by eligibility staff. Additionally, documenting the results of those tests would help memorialize the results for future management review.

Our limited testwork did not identify any significant errors in the six standard and custom reports we reviewed. KDHE staff provided the underlying code used to produce the six reports we reviewed. We reviewed this code for any obvious errors and found none. However, our review of the code was limited because of its complexity and because we lack sufficient program expertise to ensure that the right information was being pulled from the system. We also visually reviewed the report content and, when possible, compared it to historic Medicaid data to identify any inconsistent information. Although we identified some minor outliers within the data, we did not identify anything that would substantially affect the accuracy of the reports.

Conclusion and Recommendations

Conclusion

The Kansas Eligibility Enforcement System (KEES) appears capable of producing accurate consumer notices and management reports, but the quality and usefulness of those products could clearly be improved. Consumer notices automatically generated by KEES appear to accurately reflect consumer's eligibility status, but suffer from duplicative or overly technical language that makes them hard to understand. Given the inherent complexity of the Medicaid program and the needs of Medicaid consumers, it is very important that these notices are as clear and straightforward as possible. Similarly, we did not identify any significant errors in the management reports we reviewed, but KDHE officials appear to rely much more heavily on custom reports created by their own staff than the system's standard reports. That appears to be because standard reports created by Accenture in previous years have not always been accurate—as highlighted by an inaccurate report on the number of backlogged Medicaid applications in 2016. Since KDHE's report-testing processes are not as strong as they could be, report users should be cautious about report results, particularly where custom reports are concerned.

Recommendations

Kansas Department of Health and Environment

1. To ensure KEES notices are complete and clear, KDHE should continue to:
 - a. Review and update the code that populates KEES Medicaid notices. (pages 6 and 8)
 - b. Develop a quality control review process to periodically evaluate a sample of notices. (page 6)
2. To ensure KEES custom reports are accurate, KDHE should develop a formal policy to specify a consistent testing process for custom reports and explain how test results should be documented. (page 9)

APPENDIX A
Agency Response

On November 17, 2017 we provided copies of the draft audit report to the Kansas Department of Health and Environment. Agency officials agreed with the findings and indicated they would implement the recommendations. Its response is included as this Appendix. Following the agency's written response is a table listing the department's specific implementation plan for each recommendation.

December 4, 2017

Mr. Scott Frank
Legislative Post Auditor
Legislative Division of Post Audit
800 SW Jackson Street, Ste 1200
Topeka, KS 66612

Legislative Post Auditor Frank:

This letter is in response to the Legislative Post Audit draft report assessing the accuracy and usefulness of reports and notices produced by the Kansas Eligibility Enforcement System (KEES). In reviewing the recommendations presented, we find these to be reasonable and aligned with our current direction and proactive efforts to continually improve.

With regard to notices, the KDHE team agrees that although the notices are largely accurate, they could be improved to be more clear and understandable. Prior to the delivery of the audit report, change requests were already being drafted to address issues with notices. In addition, the KEES Production Operations team has secured a resource to perform a thorough review of all medical notices and document any outstanding issues, which are then planned to be corrected either through defect fixes or additional change requests as part of our normal release management process. Although staff members are required by KDHE policy to review all notices prior to being sent and log any issues observed, we will also add an additional, periodic quality check as requested.

In addition, we recognize that reporting for KEES has been an area of improvement. Although great strides were made in 2017 to implement a new suite of standardized reports according to KDHE's business requirements, training and adoption of those reports is still underway. Until staff are fully trained on the new reports, custom reporting will continue to be a larger proportion of the reporting used. To ensure a high degree of quality in the usage of custom reports, the KEES Operations and the KDHE Policy teams will work together to provide a formalized process for the testing of custom reports.

As you can see, KDHE is aligned with your recommendations and is already making positive progress in these areas. You will find more information regarding our plans in the detailed responses for each recommendation.

Sincerely,



Susan Mosier, MD, MBA, FACS
Secretary and State Health Officer, KDHE

Itemized Response to LPA Recommendations

Audit Title: The Kansas Eligibility Enforcement System: Evaluating the Accuracy and Usefulness of KEES Reports and Notices

Agency: Kansas Department of Health and Environment

LPA Recommendation	Agency Action Plan
Question 1	
1. To ensure KEES notices are complete and clear, KDHE should continue to:	
a. Review and update the code that populates KEES Medicaid notices.	Prior to this evaluation, change requests for notices were proposed to address deficiencies that were found by KDHE staff. These change requests are currently in the process of being documented, estimated, and scheduled for an upcoming product release. In addition, the KEES system operations staff has assigned a team member to review all of the medical notices and document issues that will then be addressed either through a defect or a change request. This review effort is expected to be ongoing through March of 2018.
b. Develop a quality control review process to periodically evaluate a sample of notices.	As noted in the report, KEES eligibility staff are required by KDHE policy to manually review notices for accuracy and completeness before they are sent. If issues are identified during this review, staff are instructed to open an incident ticket for the problem to be researched and addressed. This process will continue. In addition, the KEES system operations team will develop a quarterly sampling process for medical notices to review for any issues not captured through daily staff review. With the ongoing review of notices by KEES staff noted in item 1A occurring through March, the first sampling process will be targeted for June 2018.
2. To ensure KEES custom reports are accurate, KDHE should develop a formal policy to specify a consistent testing process for custom reports and explain how test results should be documented.	Accenture created a new suite of standardized reporting according to KDHE requirements, and UAT of the last of those reports was completed in August of this year. Training and education on those reports is underway and will be ongoing, with the goal to have the majority of reporting that is used be standardized going forward. In addition, the KEES system operations team will work with the KDHE policy team to formalize a testing process for custom reports by end of March 2018.

APPENDIX B

Audit Proposal

This appendix contains the original audit proposal approved by the Legislative Post Audit Committee at its April 28, 2017, meeting. For reporting purposes, we divided the three objectives included in the original request into three separate audit reports. This report addressed objective three of the original audit proposal.

Medicaid: Evaluating Issues Related to KanCare and Other Important Components of the State's Medicaid System

SOURCE

The objectives included in this proposal were either requested or suggested by individual legislators or legislative committees.

BACKGROUND

Launched in January 2013, KanCare is the program through which the State of Kansas administers Medicaid. KanCare offers health care for people with limited income, which may include pregnant women, children, and low-income families with children. The Kansas Department of Health and Environment (KDHE) and the Kansas Department for Aging and Disability Services (KDADS) jointly administer KanCare. KDHE maintains financial management and contract oversight of the KanCare program, and KDADS administers the Medicaid waiver programs for disabilities, mental health issues, and substance abuse problems, as well as overseeing the state hospitals and institutions.

As the state's Medicaid program, KanCare focuses on providing person-centered care coordinated through three private managed care originations (MCOs): Amerigroup of Kansas, Inc., Sunflower Health Plan, and United Healthcare Community Plan of Kansas. The state also contracts with Maximus, a private company that processes the state's Medicaid applications and provides support services during the eligibility process.

Developed and administered by the Kansas Department of Health and Environment (KDHE), the Kansas Eligibility and Enforcement System (KEES) was intended to create an information system to help determine eligibility for the state's Medicaid program (KanCare) and a variety of social service benefits. In December 2015, our office released an audit which found that the core of the KEES project was approximately two and half years behind its original implementation schedule. The audit also found that some important components of KEES had been significantly postponed or reduced.

In November 2016, members of the Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight heard testimony about the strengths and weaknesses of the KanCare program, including the KEES system. That testimony, in combination with legislators' communication with KEES users and constituents, raised several concerns about the automation, efficiency, and accuracy of KEES.

AUDIT OBJECTIVES AND TENTATIVE METHODOLOGY

The audit objectives listed below represent the questions that we would answer through our audit work. The proposed steps for each objective are intended to convey the type of work we would do, but are subject to change as we learn more about the audit issues and are able to refine our methodology.

Objective 1: What effect did transitioning to KanCare have on the state’s Medicaid costs, the services provided, and client health outcomes? Our tentative methodology would include the following:

- Work with officials from the Kansas Department of Health and Environment (KDHE) and the Centers for Medicare and Medicaid Services (CMS) to identify any available metrics used to track Medicaid costs, services provided, and client health outcomes in the state.
- Review available metrics for the last 5-10 years to identify any significant changes to the state’s Medicaid costs, services provided, or client health outcomes before and after KanCare was established.
- Survey a sample of health care providers and Medicaid clients to collect their opinions on the effect transitioning to KanCare had on the state’s Medicaid costs, services, and outcomes.
- Interview officials from the Kansas Health Institute, Kansas Hospital Association, Kansas Medical Society, and other medical stakeholders to collect their opinions on the effect transitioning to KanCare had on the state’s Medicaid costs, services, and outcomes.
- Based on that cumulative work, determine what effect transitioning to KanCare had on the state’s Medicaid costs, services provided, and client outcomes.

Objective 2: How does Kansas’ Medicaid and Medicare coverage compare to other states for a select sample of services? Our tentative methodology would include the following:

- Review Medicaid and Medicare benefit summaries and work with CMS and KDHE officials to select a small sample of common services covered by Medicaid and Medicare in the state.
- For the sample, review documentation and work with CMS and KDHE officials to determine how much Medicaid and Medicare will reimburse for the sample of services.
- Work with officials from KDHE, CMS, and a sample of other states to identify any differences in Medicaid and Medicare coverage and reimbursements, and the reasons why any differences exist.

Objective 3: Are reports and notices produced by the Kansas Eligibility Enforcement System useful and reliable? Our tentative methodology would include the following:

- Work with KDHE staff to develop an understanding of the types of reports that are produced by the KEES system and how they are used.
- Work with a sample of entities that receive reports out of the KEES system to identify reports they do not consider useful or reliable.
- For reports that are not considered useful, work with KDHE staff and the entities that receive the reports to identify ways they could be improved or to determine if they should be eliminated.
- For reports that are not considered reliable, work with KDHE staff and review system documents as needed to understand the controls in place to ensure the reliability of these reports.
- Compare a sample of reports to other records or information to determine whether the controls are working as intended.
- Follow up with KDHE staff as necessary to determine the root cause of any control failures we identify through our test work.

ESTIMATED RESOURCES

We estimate this audit would require a team of **four (4) auditors** for a total of **six (6) months** (from the time the audit starts to our best estimated of when it would be ready for the committee).

APPENDIX C

Cited References

This appendix includes a list of the studies and reports cited in this report.

1. KanCare: Reviewing the Timeliness of Medicaid Eligibility Determinations. (2016, September). *Kansas Legislative Division of Post Audit*.
2. Kansas Eligibility Enforcement System: Evaluating Delays in the System's Implementation. (2015, December). *Kansas Legislative Division of Post Audit*.
3. Kansas Medicaid: A Primer 2017. (2017, January). *Kansas Health Institute and Kansas Legislative Research Department*.