



# Legislative Audit Division

## Performance Audit Summary

### Area Agencies on Aging

December 2001

#### Introduction

We conducted a performance audit of the Area Agencies on Aging Program within the Aging Services Bureau (ASB), Senior and Long Term Care Division, Department of Public Health and Human Services (department). In addition, we included the department's Nutrition Program for the Elderly and the Commodity Supplemental Food Program within the Food Distribution/Commodity Warehouse Section, Intergovernmental Human Services Bureau, Human and Community Services Division as part of our audit. These programs were included because they provide federal funding for nutritional services offered by the area agencies.

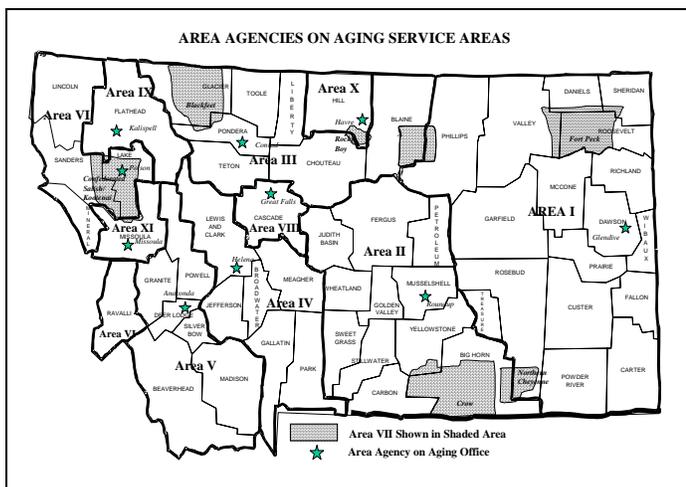
ASB contracts with eleven Area Agencies on Aging to provide services to senior citizens. Four of the area agencies serve a single county, six serve multi-county areas, and one area serves the seven Native American reservations within other area agency boundaries.

ensure commodities (food) are provided to eligible persons.

4. Determine if the ASB's funding formula for allocation of federal funding to Area Agencies on Aging is in compliance with the approved State Plan on Aging.
5. Evaluate the ASB management information system, to determine whether management information is entered in a timely manner and whether data is accurate.
6. Examine waivers allowing some area agencies to provide services directly to program recipients.

#### ASB Revenues and Expenditures Fiscal Years 1998-99 to 2000-01

	FY 1998-99	FY 1999-00	FY2000-01
<b>Fed Revenue</b>	\$ 5,037,963	\$ 5,163,999	\$ 4,971,865
<b>State Gen Fund</b>	933,786	1,099,824	1,379,992
<b>Total Revenues</b>	\$ 5,971,749	\$ 6,263,823	\$ 6,351,857
<b>Personal Services</b>	\$ 346,676	\$ 400,831	\$ 343,538
<b>Operating Exp</b>	192,774	257,587	197,169
<b>Grants to Areas</b>	\$ 5,432,268	5,344,899	5,771,441
<b>Total Expended</b>	\$ 5,971,718	\$ 6,003,317	\$ 6,312,148



#### Controls Established Over Commodity Program

The Food Distribution/Commodity Warehouse Section and the area agencies have established reasonable controls to ensure commodities are provided to eligible persons. The section staff established inventory and receipting procedures over commodities delivered to area agencies for both the Nutrition Program for the Elderly and the Commodity Supplemental Food Program. In addition, on-site reviews and inventory counts are conducted at each area agency.

Area agency staff are knowledgeable of program requirements. Standardized eligibility forms for recipients and signed commodity receipt forms are used in areas we reviewed. Staff maintain inventories of commodities received and used. In multi-county areas, agency staff conduct inventories of direct service providers using program commodities. Area agencies track commodities through their budgetary and expenditure reporting process.

#### Background

Audit work focused on determining area agency consistency with established procedures and effectiveness of controls across the state. We developed the following objectives for our performance audit:

1. Evaluate the ASB's monitoring activities to determine whether activities provide reasonable assurances program services are being provided to senior citizens.
2. Evaluate if monitoring tools ensure area agencies provided program services in accordance with contract and statutory requirements.
3. Examine area agencies commodity program activities to determine whether reasonable controls exist to

#### ASB Waivers Allow Single-County Area Agencies to Provide Services Directly

Area agencies are allowed to provide services directly to program recipients under ASB waivers. According to federal program requirements, supportive, nutrition, or in-home services may not be provided directly by area agencies unless in the judgment of the ASB direct provision of services is necessary to ensure an adequate supply of services, or where

services of comparable quality can be provided more economically by the agency. The waivers have been granted to single-county area agencies to ensure an adequate supply of services.

### **Program Monitoring Activities Ensure Services Provided to Senior Citizens**

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The monitoring activities of the Area Agencies on Aging and the Aging Services Bureau provide reasonable assurance program services are provided to senior citizens in Montana. Area agency directors and ASB staff conduct monitoring activities to ensure services under the program are provided to Montana's senior citizens. Area agency staff conduct annual evaluations of their direct service providers.

Additional reviews included quarterly analysis of program reports, performance measures, and graphic comparisons of services provided. Area directors attended advisory councils meetings and routinely visited direct service providers in their areas. Direct service providers maintain sign-in logs for nutritional services, delivery receipts for home delivered meals, and timesheets signed by program recipients for homemaker services.

### **Monitoring Activities Could Be Improved**

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While we concluded monitoring activities provide reasonable assurance program services are provided, we did identify improvements that could be made. Area agencies do not use monitoring tools that include all critical strategic program areas when evaluating direct service providers compliance. Concerns included service providers controls over donations and review of file documentation

*The monitoring process could be improved if ASB staff :*

- 1. Include a review of area agency monitoring tools to ensure consistent monitoring among area agencies.*
- 2. Ensure monitoring tools include maintenance of review documentation and controls over donations.*

### **Some Communities Do Not Have Access to Certified Local Ombudsmen**

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ASB has not ensured the residents of long-term care facilities in Butte-Silver Bow, Ennis, Dillon, and Deer Lodge have access to regular visits from Certified Local Ombudsmen as required under federal guidelines. The Blackfeet and Crow tribes also do not have local ombudsmen serving in their communities. *ASB should develop a plan to ensure Certified Local Ombudsmen are available monthly to long-term care facility residents in all communities.*

### **Ombudsman Reports Do Not Track Long-Term Care Facility Visits**

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For those area agencies with ombudsmen, the ASB does not have a reporting mechanism ensuring Certified Local Ombudsman visit long-term care facilities regularly.

*ASB staff should address this concern by:*

- 1. Incorporating a list of facilities visited in the monthly reports completed by the Certified Local Ombudsman.*
- 2. Comparing the monthly reports with an inventory of current long-term care facilities to ensure local ombudsman visit each facility monthly.*

### **Incorrect Funding Allocations Identified**

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Federal Administration of Aging officials have notified the ASB they are not in compliance with federal requirements in relation to their funding distributions. In addition, they have notified ASB the area agency serving the seven Native American reservations should provide services to all elderly populations living on the Native American reservations. ASB has until July 15, 2002 to come into compliance with federal requirements for the program. At this time it is unclear how ASB staff will address the situation.

### **Area Agencies Not Following Funding Allocations**

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Federal laws and regulations require special emphases be given to low-income and minority populations when serving senior populations. Area agencies with multiple counties distribute ASB's funding to direct service providers within their counties. However, since some area agencies funding methodologies only consider senior populations, they do not necessarily address increased funding for counties with higher percentages of low-income and minority populations.

*Bureau staff should review how Area Agencies on Aging allocate funding to assure area agency methodologies appropriately address the state plan requirements relating to low-income and minority populations.*

### **ASB Could Improve Its Montana Aging Services Tracking System (MASTS)**

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MASTS was developed with the intent of tracking and monitoring use of program services. One reservation was not having recipients complete MASTS data forms, and was not submitting MASTS program information for data entry. Staff in another area agency did not require recipients to complete a MASTS data collection form when a service was first provided. Then, because staff believed it important to get all new program recipients registered on MASTS they entered incorrect or fictitious information on new seniors.

*Bureau staff should increase emphasis on the need for accurate MASTS information as part of training activities and annual assessments of individual Area Agencies.*

For a complete copy of the report (01P-10) or for further information contact the Legislative Audit Division at 406-444-3122; e-mail to [lad@mt.gov](mailto:lad@mt.gov); or check the web site at <http://leg.mt.gov/audit>.