

Project No.: 031210

Review of Community Living BC's Caseload Growth

Ministry of Finance

**Internal Audit & Advisory Services
Office of the Comptroller General
Ministry of Finance
Province of British Columbia**

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Abbreviations

CLBC	Community Living BC
IAAS	Internal Audit & Advisory Services
the ministry or MHSD	Ministry of Housing & Social Development

Executive Summary

Community Living BC (CLBC) is a Crown Agency which delivers support and services to people with developmental disabilities, children with special needs and their families in British Columbia. CLBC reports to the Ministry of Housing and Social Development (MHSD).

In early 2008, CLBC completed an internal review of new adult admissions for caseload growth projections and future forecasting. This review found that the caseload had increased by 956 adult net admissions to 11,356 adults in 2007/08 compared to the projected total of 10,870 adults. The review indicated that caseload growth of 9.2% was experienced, compared to the forecast 4.5% growth. CLBC, subsequently, verified overall caseload growth by manually reviewing 2007/08 newly registered files to validate eligibility.

Internal Audit & Advisory Services (IAAS) was requested by the ministry, to undertake a review to verify CLBC's calculation of caseload growth for 2007/08 and provide observations on information supporting CLBC's caseload methodology.

Verification

Our overall conclusion is that CLBC's verification of 2007/08 caseload growth was adequate.

General Observations –

Definition of a Client

CLBC's aims to provide adults with a successful introduction to community supports and assists in the development of personal support plans. Consequently, the caseload volume may include people, classified as CLBC clients, who have received assistance with community or other supports, who may not be in receipt of direct CLBC services or funding. To provide clarification, we have recommended that the ministry work with CLBC on an appropriate definition of a CLBC client, for planning and reporting purposes.

Client Record Data Quality

Caseload growth and volume is used by CLBC to inform planning, for funding requests and service delivery decisions; therefore accuracy of underlying caseload data is vital. CLBC has recognized the importance of data quality, that data errors exist and has implemented or planned initiatives to improve client record data quality and reduce error rates.

We concluded that total caseload volume may be overstated as a result of data errors. To support continuing data improvement and accuracy of caseload, we have recommended that the ministry work with CLBC in the design of a data quality assurance, monitoring and reporting program.

Management
Reporting

We found CLBC's inherited Management Information Systems unable to report on services delivered at a client level. This is partially due to the absence of person specific reported results from service providers. CLBC advise that a planned contract management system will address these issues. Detailed client level reporting would assist in compiling accurate projections, inform planning decisions, support funding requests, and inform any value for money assessment.

We have recommended that the ministry continue to support CLBC's implementation of the contract management system.

Projections and
Assumptions

We have concluded that CLBC's current projection methodology is generally appropriate for CLBC's needs. However, we noted opportunities for CLBC to improve projections as follows:

- Increased use of comparative and other trend data to inform assumptions; and
- Enhanced documentation of assumptions, supporting published projections.

We have recommended the ministry liaise with CLBC on the further development of projections and assumptions.

Once the ongoing CLBC actions and further recommended actions are taken, ministry management and the CLBC Board will benefit from improved accuracy of CLBC caseload volume and increased confidence that finite resources are being appropriately applied in support of people with developmental disabilities.

We would like to thank the management and staff of CLBC and the ministry for their assistance and cooperation during the course of this review.

Stuart Newton
Executive Director
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Introduction

Community Living BC (CLBC) is a Crown Agency which delivers support and services to people with developmental disabilities, children with special needs and their families in British Columbia, in accordance with the *Community Living Authority Act*. Its Board comprises self-advocates, family and community members.

CLBC's vision is one of full citizenship in which people with developmental disabilities have good lives, rich relationships with friends and family, financial security, choices in how they live their lives, employment opportunities and are accepted and valued as citizens.

CLBC provides a range of support services for adults using a mix of residential or family and day support services. CLBC reports to the Ministry of Housing and Social Development (MHSD).

In early 2008, CLBC completed an internal review of new adult admissions for caseload growth projections and future forecasting. This review found that the caseload had increased by 956 adult net admissions to 11,356 adults in 2007/08 compared to the projected total of 10,870 adults. The review indicated that caseload growth of 9.2% was experienced, compared to the forecast 4.5% growth.

Internal Audit & Advisory Services (IAAS) was requested by the ministry, to undertake a review.

Purpose

To review information supporting CLBC's caseload methodology.

Objectives, Scope and Approach

The objectives of this review were:

- to verify CLBC's calculation of caseload growth over the fiscal year 2007/08; and
- to review and provide general observations regarding information supporting caseload methodology such as projections, assumptions, waitlists, impacts and other inputs.

Specifically, we reviewed client information including electronic and paper files. We also reviewed relevant policies and processes and other information supporting caseload methodology. A review of waitlist methodology was outside of the scope of this review.

Fieldwork took place between February and April 2009.

Observations and Recommendations

1.0 Verification of 2007/08 Caseload Growth

1.1 Verifying 2007/08 Caseload Growth

CLBC experienced an unanticipated growth of new clients in fiscal year 2007/08 which represented a 9.2% net increase compared to the projection of 4.5%. Caseload volume at the start of 2007/08 was 10,400 clients, CLBC projected 468 new clients. At the end of 2007/08, actual caseload volume was 11,356 clients or an increase of 956 adult net new clients.

Due to finite resources, unanticipated growth in new clients may lead to increases in waitlist times for both new clients and for existing clients not yet receiving services or seeking additional services.

CLBC verified overall caseload growth by manually reviewing 2007/08 newly registered files to validate eligibility.

Our overall conclusion is that CLBC's verification of 2007/08 caseload growth was adequate.

The ministry also requested we review and provide general observations on CLBC's caseload methodology, based on the information seen during this assignment. Our observations are as follows:

2.0 General Observations

2.1 Definition of a Client Included within the Caseload

We expected the definition of a client included within the caseload to equate to an adult who is eligible and receiving CLBC funded services.

We understand that the current definition of a client may not, necessarily, mean that this person is in receipt of direct CLBC services or funding. This is because CLBC is aiming for a relationship with a client. This relationship may, for example, include successful introduction to community supports and the development of personal support plans, which may not be funded by CLBC. The current CLBC business model recognizes eligible (potential service recipients) clients who register with CLBC as caseload volume.

Caseload volume, may, therefore contain clients who have not requested CLBC funded services and therefore are not on the waitlist or planning registry.

Recommendation:

(1) We recommend the ministry work with CLBC on a definition of a CLBC client, for planning and reporting purposes.

2.2 Client Record Data Quality

Caseload growth is used by CLBC to inform planning, for funding requests and service delivery decisions; therefore accuracy of underlying caseload data is vital.

CLBC has recognized the importance of data quality, that data errors exist and has implemented or planned initiatives to improve client record data quality and reduce error rates. These initiatives include:

- New client verification processes – 470 ineligible client files resolved since 2006/07;
- System generated reports to identify clients with data entry errors;
- A data quality initiative – 1500 errors corrected in fiscal year 2008/09;
- Validation of data input at the time of the transaction;
- Ongoing improvements to business rules, systems and communications to field staff; and
- Annual reviews of all files.

To support CLBC's concerns on data quality we completed a random file sample. Based on this file sample and other observations, we found the following data quality factors which may impact overall caseload volume:

- Errors in data entry and file review by field staff;
- Clients included within the caseload, in error, no longer requiring CLBC services;

- 951 Historic (legacy) files inherited from the Ministry of Children & Family Development requiring verification for documented eligibility and data accuracy;
- Children turning 19 – as children transition to CLBC as adults, eligibility errors can exist; and
- Clarity regarding the definition of a client.

We concluded that caseload total (baseline) volume, may, therefore, be overstated due to data input and other errors, i.e. contain further clients who are not (or should not be) on the waitlist, planning registry or in receipt of CLBC funded services.

To support ongoing CLBC data quality improvement and an accurate caseload, we recommend that CLBC's ongoing data improvement activities and initiatives be documented and summarized by creating a formalized data quality assurance program. This program is to be supported by ongoing random samples of files. These file sample results would inform future data quality improvement activities.

Recommendation:

(2) We recommend the ministry work with CLBC in the design of a data quality assurance, monitoring and reporting program.

2.3 Management Reporting

We expected CLBC systems to be able to provide reports, based on current expenditures at a client level. However, the inherited Management Information Systems are unable to report on services delivered at a client level (except for clients receiving residential services – 44% of total adult clients). This is due to total funding being provided to service providers, at the contract (not client) level and an absence of actual person specific reporting of results by service providers.

CLBC advise that a planned (phased) contract management system will address these issues.

Detailed client level reporting would assist in compiling accurate projections, inform planning decisions, support funding requests, and inform any value for money assessment. It would also support verification of current clients.

Recommendation:

(3) We recommend the ministry continue to support CLBC's implementation of the contract management system.

2.4 Projections and Assumptions

We reviewed caseload projections and the associated assumptions supporting future caseload growth. The caseload growth of 9.2% in 2007/08 is viewed by CLBC as an unusual occurrence, due to factors such as the high profile of CLBC as a relatively new agency and the Fahlman case, which led to the re-defining of client eligibility and an increase in new clients.

These circumstances have contributed to a rising annual caseload growth rate in recent years. Current annual caseload growth is approximately 6%, compared to 3.5% - 4.5% in earlier years.

We were informed that caseload growth projections are based on historic trends (such as prevalence rate and children transitioning to adults), as historically, other than 2007/08, growth from year-to-year was quite consistent.

Assumptions support projections and help ensure accuracy in projecting caseload demand. Key CLBC assumptions we found were:

- **CLBC may be serving only 1/3 of potential clients.** CLBC based this assumption on the World Health Organization prevalence rate and applied it to the BC population. No recent authoritative research is available regarding BC's specific prevalence rate.
- **Costs relating to CLBC clients increase with the client's age.** This assumption was supported by an analysis of the average costs of services versus client age data.
- **1% of 19 year olds in BC will continue to register with CLBC year over year.** CLBC explained the registration of 19 year old clients is close to the prevalence rate for the age group and this alignment is anticipated in future years.
- **20% of total expenditures relate to crisis needs.** 20% of expenditures in any year relate to crisis requests from new registrants or existing clients.

We conclude, from discussions, that current projection methodology is generally appropriate for CLBC's estimation needs. This is supported by the accuracy of the 2008/09 projection. For 2008/09, CLBC projected an increase in new client registrations of 7.8%. Actual registrations totalled 7.5%. A 6.8% net (of discharged clients) increase in caseload growth was projected and 5.8% was achieved, the larger variance being due to the level of client mortality which is difficult to estimate.

However, we noted the following opportunities to inform and improve projections:

- Increased use of comparative and other social information such as demographic data, information from other ministries/provinces, trends etc to inform projections and assumptions.
- Enhanced documentation of assumptions, supporting published projections.

Recommendation:

⁽⁴⁾ We recommend the ministry liaise with CLBC on the further development of projections and assumptions.

Appendix 1 - Detailed Action Plan – CLBC Caseload Growth Review

Audit Report Date: June 2009

Priority	Rec. #	Recommendations	Management Comments to be Included in Report (Action Planned or Taken)	Assigned To	Target Date
2.0 General Observations					
2.1 Definition of a Client Included within the Caseload					
	1.	We recommend the ministry work with CLBC on a definition of a CLBC client, for planning and reporting purposes.	<ul style="list-style-type: none"> Work with CLBC to establish definition of what constitutes a client. Once defined ensure that the business practice of the organization reflects this. 	MHSD – Odette Dantzer CLBC – Richard Hunter	Dec 2009
2.2 Client Record Data Quality					
	2.	We recommend the ministry work with CLBC in the design of a data quality assurance, monitoring and reporting program.	<ul style="list-style-type: none"> Work with CLBC to better document the processes and practices involved with data collection, reporting, and quality assurance. 	MHSD – Ian Brethour CLBC - Richard	Nov 2009
2.3 Management Reporting					
	3.	We recommend the ministry continue to support CLBC's implementation of the contract management system.	<ul style="list-style-type: none"> Work with CLBC to support CLBC's contract management system implementation with ongoing efforts to improve the contract and procurement process, including an effective monitoring framework. 	MHSD – Ian CLBC - Richard	Nov 2010
2.4 Projections and Assumptions					
	4.	We recommend the ministry liaise with CLBC on the further development of projections and assumptions.	<ul style="list-style-type: none"> Work with CLBC to better document projections and assumptions and consider the use of other sources. 	MHSD – Ian CLBC - Richard	March 2010