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## Reporting of Confidential Client Data

The Division of Mental Health and Developmental Disabilities has had difficulty in its efforts to gather confidential information about clients. Some providers are resistant to reporting data, and to notifying the division of emergent situations when clients are missing, seriously injured or deceased. Some providers claim that they fear potential litigation if they supply confidential information, that reporting would violate client rights to privacy and professional ethics. Some providers are experiencing technical difficulties or may have back-burnered the submission of data. While most providers are cooperative, in-order for the state to insure the health, safety and well being of consumers, it is necessary to strengthen and clarify laws to specify the Departments legal positions on these matters.

The gathering of this data is essential to the division's ability to monitor, make management decisions, meet service needs of Alaskans with mental illness, and to comply with legislative expectations for providing accurate performance measure information. The requirement that providers notify the division of missing, seriously injured, and deceased consumers involves emergent situations, and is consistent with the intent of HIPPA and HCFA.

This bill:

- Gives the Department of Health and Social Services the statutory authority to require that mental health centers that receive state funds report certain confidential client data to the Division of Mental Health and Developmental Disabilities (DMHDD), and comply with regulations regarding such data submission.
- Protects licensed mental health clinicians who report required confidential client data.
- Clarifies that confidential client data are considered to be "confidential medical records" and are not open to the public for inspection or copying.
- Requires that mental health providers notify DHSS of emergency situations involving mental health clients—most other states have these requirements.
- Provides access to confidential information regarding consumers utilizing the Mental Health Treatment Assistance Program and requires confidential handling of that information.
- Protects consumers rights to privacy by insuring that confidential information is used and handled appropriately
- Promotes the health and safety of Alaska's mental health consumers.

#### Current Status of Prior Recommendation

The rate setting methodology, now fully documented, bases the various rates on the costs of the personnel providing specific mental health services. Though the calculated rates were based on estimates, an abbreviated cost study<sup>7</sup> has shown that the estimates are materially supported by actual expenditure data.

The previous audit also identified the combination of vague service descriptions in the regulations and limited technical assistance from the divisions as problematic. As discussed above, the expansion of the quality assurance program to include technical assistance has helped to alleviate some of the confusion in Medicaid service descriptions and clarify file documentation requirements.

Activity therapy was one of the more ambiguous service categories that, by FY 97, had shown steep cost increases. Accordingly, this category was of particular concern to both the auditors and the division. After the previous audit, the division made an effort to emphasize active treatment and required thorough documentation for activity therapy. The costs per client for this service have decreased by more than 19% since FY 97.

#### Legislative Audit's Current Position

As a result of the above actions, we believe the agency has fully implemented prior Recommendation No. 3. We encourage DHSS to continue with plans to fully train providers on the new regulations and to periodically review the regulations and the associated rates to ensure that they remain reasonable.

#### Prior Recommendation No. 4

DMHDD should obtain client service data to enable effective management of the State's community mental health programs.

Currently, the lack of client service data renders DMHDD unable to determine if community mental health funding is appropriate. No reliable data currently exists which accurately reflects the total number of clients annually receiving publicly funded community mental health services. While the Medicaid payment system does collect the number of clients served through Medicaid, major deficiencies exist in DMHDD's data collection concerning clients served by state grant funds.

DMHDD has collected selective mental health client data from providers for many years using a management information system (MIS). However, the type of information collected is not adequate to measure the number of clients served by the state grant system. Inherent system inadequacies such as no mandatory provider participation requirements, no data verification process, and a varying definition between providers of who qualifies as a "client" makes the reliability of the data suspect. Some providers we interviewed expressed frustration that while they spend the time to submit data reports to DMHDD, they receive little for their efforts.

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<sup>7</sup> The cost study consisted of actual personnel services and overhead expenditure data from each of 6 providers. The providers sampled were selected in an effort to produce a representative cross section of providers with regard to size, region, and funding amounts.

Furthermore, current data collection methods do not allow unduplication between the number of clients served as reported by DMHDD's MIS and the number of clients served as reported by the Medicaid MIS. Without this ability, DHSS cannot identify the total population of mental health clients served nor detect if Medicaid payments are being made for clients also funded through state grants.

While the number of clients served does not reflect the amount of service delivered, we believe that a significant element of grant funding decisions should be based on the historical number of clients served in an area. Currently, it appears DMHDD bases its grant funding allocations primarily on how much a provider was granted in prior years.

#### Current Status of Prior Recommendation

Since the previous report, DMHDD has installed a new data system, ARORA. This system is capable of capturing the individual client data, but DMHDD has found it difficult to actually collect and use the data for grant management decisions. Problems surrounding the collection of data from providers have included technical difficulties, providers' inability to submit data in a timely fashion, and a lawsuit ostensibly filed to protect the confidentiality of client data.

DMHDD has been ineffective in its efforts to collect comprehensive client information. The information services section is in frequent contact with providers regarding data submissions or lack thereof. Non-compliant providers also receive periodic reminders of their reporting obligations from the division director, but the division has been reluctant to become more assertive with these providers. While financial sanctions for providers that will not submit the required data would likely be the most effective method to gain compliance, the division is concerned with the effect these sanctions might have on consumers.

#### Legislative Audit's Current Position

The division's inability to collect comprehensive client data continues to limit its ability to use the management information system for grant funding decisions, ensure that services are not dual billed, or offer providers feedback about services and the associated costs. While we recognize that other sources of information, as discussed in the Reports Conclusions section, provide a context in which to review client data, that information is not an adequate substitute for comprehensive client data.

Many of the data problems are the result of provider noncompliance with specific grant requirements. To remedy this noncompliance, DMHDD may be forced to institute financial sanctions by withholding grant funds from grantees determined to be out of compliance with data submission requirements.

DMHDD is currently restructuring its data processing section, exploring possibilities to facilitate data submission, and discussing potential sanctions for providers that do not comply with data submission requirements. Though we view these efforts as steps in the right direction, the actual implementation status of the recommendation remains limited.

In addition to current efforts to obtain client data, we encourage DHSS to consider its long-term data needs and assess whether a system that collects only mental health data is cost effective when many clients receive services from multiple divisions.

#### Prior Recommendation No. 5

DMHDD should develop meaningful outcome measures and collect meaningful outcome data to determine effectiveness of services provided by public community mental health funding.

DMHDD does not collect sufficient data to measure the effectiveness of Alaska's community mental health services. We believe such information is necessary for proper management of the State's community mental health programs. Without these tools, program managers are without the necessary information to evaluate the success of services provided to Alaskan's with mental illness.

The FY 98 community mental health grant budget documents identify that:

*There is no effective way to assure that grant funds are used in the most therapeutic way; there are funding duplications due to grantees having multiple funding sources; services are agency-driven, not consumer-driven; and services are not always clearly tied to an identified treatment need.*

#### Current Status of Prior Recommendation

Though DMHDD has been unable to collect and measure individual client data, the division receives frequent anecdotal feedback from consumers, advocacy groups, the AMHB, and the trust. Additionally, the division has developed several numerical indicators of consumer satisfaction and the effectiveness of services. These indicators include data gathered through the consumer satisfaction section of the integrated quality assurance reviews as well as measures developed by the legislature.

As discussed in Recommendation No. 6, DHSS has added a consumer satisfaction survey to its quality assurance program. The results of the consumer satisfaction section of the quality assurance reviews over the last two fiscal years suggest that consumers are generally satisfied with the services they have received from community mental health centers. Consumers from 46 community mental health centers responded to questions designed to determine how satisfied they were with the services provided through the CMHCs. Of the consumers surveyed, 71% said they were fully satisfied, while 14% were partially satisfied. Nine percent were not satisfied and 6% did not know or felt the questions did not apply to their circumstances.

The division and the AMHB have initiated a performance measurement project designed to define performance measures, develop tools for gathering data to measures and implement the data collection and measurement process. A steering committee

# Audit Report

DEPARTMENT OF HEALTH AND SOCIAL SERVICES,  
DIVISIONS OF MEDICAL ASSISTANCE  
AND MENTAL HEALTH AND DEVELOPMENTAL  
DISABILITIES, COMMUNITY MENTAL HEALTH  
CENTER PROGRAM FOLLOW-UP

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P.O. Box 113300, Juneau, Alaska 99811-3300

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