

Recommendations of the SC Legislative Audit Council for the BabyNet Early Intervention System, Dec. 6 2012

Recommendation	Status
<p>1. The General Assembly should appropriate all BabyNet funding directly to First Steps to increase accountability for the lead agency with regard to partner agencies and providers.</p>	<p>REQUIRES LEGISLATIVE ACTION</p> <p>Consolidation of funds, consistent with LAC recommendation, was requested in FY12 and FY13. Funds allocated to DHEC and SC School for the Deaf and Blind were transferred during FY12, via Proviso 89.122, and codified within FY13 General Appropriations Act. Proviso 89.125 of the FY13 General Appropriations Act establishes a uniform fiscal reporting structure.</p> <p>Template has been developed with partner agency input and distributed for first quarter reporting. Agencies will meet December 17, 2012 to review.</p>
<p>2. First Steps should comply with §44-7-2570 (C) of the South Carolina Code of Laws.</p> <p>South Carolina Code of Laws, Article 21, SECTION 44-7-2570. Fees for services; insurance.</p> <p>(A) Families must not be charged for early intervention services provided pursuant to this article.</p> <p>(B) Nothing in this section relieves public or private insurance programs, or other persons or agencies required by law to provide or pay for early intervention services, from their financial or legal responsibilities.</p> <p><i>(C) Pursuant to Subchapter VIII, Chapter 33, Title 20, U. S. Code Annotated, all financial resources from federal, state, local, and private sources must be coordinated to fund early intervention services. A joint funding plan must be submitted by the department to the Joint Legislative Committee on Children on or before August first of each year. The individual components of the plan as they relate to individual agencies must be incorporated annually into each affected agency's budget request.</i></p>	<p>SC First Steps meets regularly with BabyNet partner agencies. The group will identify a joint BabyNet funding plan for FY14, pursuant to §44-7-2570(C).</p> <p>Discussion of individual agency needs has been incorporated into the September/October review of the uniform fiscal reporting template required by Proviso 89.125 of the FY13 General Appropriations Act.</p> <p>Template has been developed with partner agency input and distributed for first quarter reporting. Agencies will meet December 17, 2012 to review.</p>
<p>3. If the General Assembly does not enact recommendation 1 to appropriate all BabyNet funds through First Steps, it should make specific line-item appropriations to state agencies for the BabyNet program.</p>	<p>REQUIRES LEGISLATIVE ACTION</p> <p>Proviso 89.125 of the FY13 General Appropriations Act will assist in the determination of necessary amounts for FY14.</p>

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<p>4. First Steps should develop and annually implement a formal methodology to calculate the extent of its compliance with federal regulation 34 CFR 303.124.</p>	<p>COMPLETED</p> <p>Proviso 89.125 has codified this process for FY13 via uniform fiscal submissions from each agency. Template has been developed with partner agency input and distributed for first quarter reporting. Agencies will meet December 17, 2012 to review.</p>
<p>5. First Steps should prepare and publish each year a financial statement for the complete BabyNet system, including all expenditures and all sources of revenue.</p>	<p>Proviso 89.125 enables this process for FY13 via uniform fiscal submissions from each partner agency. Template has been developed with partner agency input and distributed for first quarter reporting. Agencies will meet December 17, 2012 to review.</p>
<p>6. First Steps should contract with independent accountants to audit its annual financial statements for the BabyNet program. The annual audits should follow generally accepted government auditing standards, including the provision of reasonable assurance that the statements are accurate, that internal controls to prevent fraud and abuse are adequate, and that BabyNet funds have not been spent on non-BabyNet activities.</p>	<p>Planned discussion with State Auditor to explore recommendation in relation to existing state audit processes. Recommendation to Board of Trustees, February 2013.</p>
<p>7. When drafting contracts between First Steps and BabyNet service providers, First Steps should have them reviewed by procurement and legal staff.</p>	<p>All FY12 and 13 contracts have been reviewed by First Steps procurement staff and external legal counsel.</p>
<p>8. First Steps should review contracts between other state agencies and BabyNet service providers before they are finalized.</p>	<p>All partner agencies have been asked for their subcontracts, per LAC recommendation and September 2011 federal regulation.</p>
<p>9. First Steps should require all invoices submitted by BabyNet service providers to contain the signature of the parent/guardian of the child receiving the services.</p>	<p>Effective November 2011, all provider invoices require documentation including parental signature.</p>
<p>10. First Steps should establish a policy of using Medicaid rates for similar services reimbursed with BabyNet early intervention funds.</p>	<p>First Steps policy (adopted September 2011) establishes that, for like services, BabyNet rate will not exceed Medicaid rate of SC Department of Health and Human Services.</p>
<p>11. The General Assembly should amend state law to authorize First Steps to charge a sliding fee, based on family income and size, to families with children in the BabyNet program.</p>	<p>REQUIRES LEGISLATIVE ACTION</p> <p>Section 44-7-2570 currently prohibits changing families for Part C services. First Steps staff have met with previous system administrators, who caution sliding fee administration may be costly.</p> <p>Draft legislation has been developed that would update existing early intervention code accordingly.</p>

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<p>12. First Steps should continue the use of federally-funded technical assistance regarding its General Supervision function and increase the use of assistance in other priority areas where improvement is needed.</p>	<p>Beginning in September 2009, the BabyNet and First Steps staff, Interagency Coordinating Council and legislative staff have been in ongoing contact with technical assistants provided via the U.S. Department of Education. Their assistance has been key to the restructuring of the BabyNet General Supervision system cited to First Steps as a longstanding area of need in 2009.</p>
<p>13. First Steps staff should continue to collect child results data and, when appropriate, use it to make program improvement decisions.</p>	<p>This recommendation matches an existing federal requirement; implemented August 2006. First Steps ability to collect and report this data will be further enhanced by a new data system currently under development for implementation in 2013.</p>
<p>14. First Steps should develop and implement a comprehensive plan to regularly monitor BabyNet service provider performance.</p>	<p>New provider audit process designed in fall of 2011, piloted in 1st and 2nd Q of 2012 for full implementation by December 2012. South Carolina BabyNet “findings of non-compliance” issued to service coordination vendors, October 2011. Performance determinations issued to Service Coordination vendors, June 2012.</p>
<p>15. First Steps should not renew a BabyNet service provider’s contract without first measuring the provider’s performance over the course of the current contract.</p>	<p>2011-12 modifications to BabyTrac system allow BabyNet to track service delivery compliance by vendor. Initial findings of non-compliance (based upon one full year’s performance) September 2013.</p>
<p>16. First Steps should review the BabyNet provider performance monitoring processes of other state agencies in South Carolina to ensure consistency with any comprehensive provider performance monitoring plan developed by First Steps.</p>	<p>Sample file review data completed from state agency partners in November 2011, Additional performance monitoring process in development with technical assistance from US Department of Education, National Data Accountability Center, National Early Childhood Technical assistance Center, and MidSouth Regional Resource Center. New data system will enable additional review.</p>
<p>17. First Steps should research low-cost methods of creating printed materials as well as radio and TV public service advertisements to increase public awareness about BabyNet.</p>	<p>Enhanced child find materials developed July 2011, disseminated through state and local partners, service vendors. New First Steps partnership strategy adding child screening and public information capacity implemented July 2012. Public service announcement developed and finalized, August 2012.</p> <p>15- and 30-second public service announcements have been developed by Family Connection and released in late September 2012: http://www.youtube.com/watch?v=9c14dZ1HsAA http://www.youtube.com/watch?v=NFgpErlZXd4</p>

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18. First Steps should contact state pediatric, neo-natal, and other associations to investigate offering training to doctors, nurses, and others regarding the referral of children to BabyNet.	Training in development via USC for implementation January 2013; required per 34 CFR 303 of 09.28.2011. New orientation video available to families and partners November 2012.
19. First Steps should update the BabyNet website to increase its readability and usefulness.	The BabyNet website has been updated monthly since August 2011. In addition, the 211 system has been connected to website to ease referral and parental self-identification of community level resources.
20. First Steps should track and publically report the age in months at which children are referred to the BabyNet program.	BabyTrac data system does not allow for such reporting at present. First Steps' ability to collect and report this data will be further enhanced by new data system currently under development (implementation 2013).
21. First Steps should track and publically report the age in months of first BabyNet service.	BabyTrac data system does not allow for such reporting at present. First Steps' ability to collect and report this data will be further enhanced by new data system currently under development (implementation 2013).
22. First Steps should continue to conduct outreach, training, and technical assistance to increase the number of service providers available in South Carolina.	Geographic shortages have been identified as of August 2012; root cause analysis and proposed solutions in process with agency and technical assistance partners.
23. First Steps should develop or obtain a data system that allows for the monitoring of BabyNet children's transition conferences and plans.	BabyTrac data system does not allow for such reporting at present. First Steps' ability to collect and report this data will be further enhanced by new data system currently under development (implementation 2013).
24. First Steps should develop or obtain a data system that allows for the creation and dissemination of electronic versions of children's Individualized Family Service Plans.	BabyTrac data system does not allow for such reporting at present. First Steps' ability to collect and report this data will be further enhanced by new data system currently under development (implementation 2013).