

Closing the Gap in Psychological Services Documentation

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Problem Statement

In 2008, the South Carolina Department of Health and Human Services (DHHS) Division of Audits completed a Medicaid audit of the South Carolina Department of Juvenile Justice (DJJ) for Fiscal Year 2005 – 2006. The audit has yet to be finalized, however the draft audit report indicated that some clinical records did not have sufficient documentation to support the submitted claims and/or documentation did not support the units of service billed. These deficiencies will potentially result in the recoupment of the federal share of the Medicaid monies reimbursed for these services. To remain proactive in the approach to Medicaid reimbursement, the DJJ Office of Compliance and Medicaid (OCM) will need to determine the breakdown in documentation for these reimbursable services. Once determined, strategies need to be implemented to increase the quality of documentation, ensure compliance with Medicaid policies and procedures, and ultimately reduce the agency's recoupment impact.

DJJ provides an array of children's treatments services, including:

- Psychological Services,
- Therapeutic Behavioral Services,
- Targeted Case Management, and
- Community Support Services.

At the time of the audit, the OCM conducted yearly Medicaid Quality Assurance (QA) reviews of Therapeutic Behavioral Services, Targeted Case Management, and Community Support Services to ensure compliance with federal and state Medicaid policies and procedures and focused heavily on documentation. These QA audits allowed the OCM to address non-compliant documentation and activities prior to an official audit by DHHS. There was not a QA audit in use

for Psychological Services. This area was reviewed annually by the Director of Consultation and Evaluation Services; however the scope of this review did not include the evaluation of compliance with Medicaid policies and procedures. It focused primarily on the clinical aspect of the documentation, ensuring that there was information to support the diagnosis assigned to the juvenile.

The OCM utilizes QA audits to evaluate all the areas of children's treatment services that the agency provides with the exception of Psychological Services, so OCM will need to focus in this area. Keeping with the agency's mission of providing a continuum of effective interventions that enable juveniles to become responsible, productive citizens, it is the OCM's goal to first identify documentation deficiencies in Psychological Services, then develop and implement a QA audit specific to this area.

Data Collection

To begin the assessment of the breakdown in the documentation of Psychological Services, the OCM identified DJJ and DHHS policies that needed to be reviewed to identify all required elements. These included DJJ Policy C-2.1 Scope of Consultation and Evaluation Services, and the DHHS Provider Manual for Psychological Services for Children Under 21. The contract between DHHS and DJJ for the purchase and provision of Medicaid children's treatment services (C02134M) was also reviewed to ensure all contractual requirements were met. A comprehensive list of criteria was developed using the information gathered from the aforementioned documents. The list focused solely on Psychological Services rendered to juveniles in a community setting rather than those in a detention facility. The focus on these

services was because these services are the only components eligible for Medicaid reimbursement.

Once the criteria list was developed, representatives from the five (5) regions and the Director of Consultation and Evaluation Services were interviewed to determine variances in the documentation methods used. The interview questions focused on the organization of juvenile records and the method of documenting the psychological services rendered. A check sheet was used to tally the individual responses. The interviews were also used to determine if there were any contradictions or omissions between DJJ policy, DHHS policy, contractual obligations, and psychological licensure requirements.

Data Analysis

Review of DJJ Policy, the DHHS Manual and the contract between DJJ and DHHS revealed tremendous overlap in documentation requirements. In instances where there were discrepancies it was determined that, for audit purposes, Medicaid policy and procedure would take precedence. For example, DJJ only requires psychologists to use clinical service notes when documenting counseling a juvenile; however DHHS requires use of clinical service notes to document all psychological services provided. Another discrepancy was found in the method of documenting the amount of time spent completing each psychological service. DJJ policy indicates that the psychologist must document the total time spent completing the activity, while DHHS requires that the psychologists document the actual start and end times in order to determine the total time used. In both instances Medicaid policy requirements exceed DJJ

requirements, therefore adhering to Medicaid policy will ensure that the criteria from both agencies are achieved.

Psychologists will continue to be required to maintain a clinical file for each juvenile receiving a psychological service. This file will be maintained in the local county office until the juvenile has reached seventeen (17) years of age and has had five (5) years of inactivity. At this time, the file will be transferred to DJJ internal archives. The clinical record must contain detailed documentation of the psychological service rendered to the juvenile and must indicate the start and end time of the service. The documentation must be legible and any alterations to records must adhere to proper error correction procedures. If abbreviations are used, the psychologist must maintain a list of abbreviations and their meanings.

The interviews with the regional representatives and the Director of Consultation and Evaluation Services provided information on the variations in following areas:

- Type of file used in maintaining clinical records,
- File organization, and
- Documentation of psychological service rendered.

The type of file used in maintaining clinical records varied from region to region, then from individual to individual. Variations included use of manila, two-sided partition, and four-sided partition folders. A review of DJJ policy indicated that in program areas where juvenile records were maintained, documentation was filed in partition folders. Clinical records for each juvenile in detention are maintained in a four-sided partition folder, while Case Management records for juveniles in the community are maintained in a six-sided folder. The use of partition folders

allows for the separation of documentation by categories facilitating easier location of specific information. After much debate and discussion, it was decided that the four-sided partition folder would best suit the needs of the Community Psychologist.

Currently, there is no set standard for the organization of psychological records. Most Community Psychologist utilized manila folders and simply placed documentation in the file with no particular arrangement. In order to retrieve information, the psychologist would have to search through a collection of papers until the specific documentation was found. If the juvenile had received multiple evaluations/consultations, the folder would be expansive. The psychologists who utilized partitioned folders had devised their own individual filing systems, however each system had variations in where particular documents were located in the file. Despite the differences in file organization, analysis of the data revealed that each Community Psychologist maintained the identical information on each juvenile. This fact will be the critical element that will allow the development of a standardize file organization.

With the adoption of the use of four-sided partition folders, and the knowledge that all Community Psychologists maintained the same information on each juvenile, the next step was to determine the categories of the available information on each juvenile, then decide which side of the partition folder to place the information. The Organization of Juvenile Psychological Record was created (Attachment 1). All documents are to be filed in chronological order with the most current information on top. Information will be divided into four (4) categories:

- Legal Information,
- School Information,

- Assessment/Historical Information, and
- Documentation

Legal documentation pertaining to the juvenile will be located on Side One (1). This documentation provides the psychologist with detailed look at the juvenile's legal history. Included in this section are all police reports, court orders and petitions. The Form 5, which provides the psychologist with the juvenile's demographic information and legal summary will always be at the top of side one (1). Side Two (2) will hold the juvenile's school information. Discipline reports, grades/report cards, Individual Education Plans, and attendance records should be contained in this area. The juvenile's assessment/historical information will be secured on side three (3). All documentation from previous assessments/reports completed by DJJ, Department of Mental Health, or any other entity will be maintained here. The juvenile's Child Assessment and Evaluation form should always be at the top of this section. The final section will hold the documentation of all activities completed by the psychologist.

The last area covered in the interviews with the Community Psychologist was variations in the method of documenting the delivery of psychological services. Given the extreme variations in file organization, it was not surprising that there was not a uniform method of documentation. There was also no standardized form used to document activities. Psychologists were hand writing their notes on a legal pad, then tearing off the sheets and placing them in the file. These sheets contained notes taken while the psychologist conducted testing, completed assessments, gathered information from other reports/documents in the file, and conducted interviews with the juvenile, family and other critical individuals. At any given moment the

juvenile's record could be subpoenaed into court and its contents used as legal documentation. If presented in a court setting, hand written notes on notebook paper would not reflect the importance of the documentation or the professionalism of the psychologist. There were several psychologists who would transcribe the hand written notes, print them, and then place them in the file however, the format of these printouts varied by individual.

It was determined that the development of a standardized Community Psychological Activity Note (Attachment 2) was critical and urgent. In order to meet Medicaid documentation criteria, the Activity Note must detail the specific activity conducted by the psychologist, indicate the length of time for each activity, and contain the psychologist's handwritten signature and date.

Community Psychologists divided the activities that they conduct into four (4) broad categories:

- Assessment,
- Testing,
- Staffing/Case Consultation, and
- Therapeutic Activities.

The Assessment category covers the completion of the various evaluations that DJJ conducts. The next category, Staffing/Case Consultation, includes any intra- and interagency staffings that the psychologist takes part in. Testing activities are simply the administering of psychological screenings to the juvenile. The last category, Therapeutic Activities would include any

individual, group, or family counseling that the psychologist may conduct. A fifth category, titled "Other," was added to capture any activity that did not fall into the previous categories. An Activity Note Cheat Sheet (Attachment 3) was developed to define each category and provide a comprehensive list of the activities that are included in each category.

Implementation Plan

The following table lists the action steps, anticipated timeframes, and estimated costs associated with the psychological services review process:

Table 1: Implementation Plan, Schedule, and Cost Summary

Action Step	Timeframe	Cost
Complete Draft Organization of Juvenile Psychological Record	December 2009	\$184.00
Complete Draft Psychological Service Activity Note	January 2010	\$368.00
Development of Draft Quality Assurance Review Tool	February 2010	\$736.00
Submit drafts to regional representatives and Director of Consultation and Evaluation Services for comments and approval	February/March 2010	None
Develop DJJ Policy for Psychological Services Documentation and Quality Assurance reviews	March 2010	None
Submit DJJ Policy for Psychological Services Documentation and Quality Assurance to executive management for review and approval	April 2010	None
Implementation of the standardized organization of the juvenile psychological records	July 2010	\$2,800.00
Implementation of documentation tools in the regional offices	July 2010	None
Conduct regional psychological reviews using the QA review tool	July 2010 – July 2011	None

The costs associated with the completion of draft documents were derived by calculating average hourly/daily salaries for OCM staff, then multiplying by the number of hours the staff needed to

accomplish the tasks. The most expensive step in this process is the training of staff on the new policy and tools. Currently, DJJ's office of Consultation and Evaluation is comprised of the Director of Consultation and Evaluation, eighteen (18) full-time Community Psychologists, one (1) Sex Offender Specific Psychologist, and several contract psychologists. These individuals are located in fourteen (14) different offices and are responsible for the forty-six (46) counties of South Carolina. It will be extremely difficult to schedule training at a time and central location that will accommodate everyone. Because of this, training will be conducted in each region and a make-up session will be offered in Columbia. Psychologists have the option of attending training in their own region, attending in a neighboring region, or attending the Columbia session. The resulting cost includes the time of staff, travel, and training materials.

The final cost associated with executing this plan is the implementation of the standardized organization of the juvenile record. Costs incurred with this implementation are a result of the need to purchase four-sided partition folders for each Community Psychologist. Each psychologist will be supplied with a minimum of fifty (50) folders to put the new filing system into operation. The most prevalent obstacle becomes evident at this point. Psychologist will begin to utilize the four-sided folders as they see juveniles with no prior involvement with the agency, however, there is no plan in place to transition the files of current DJJ juveniles to the new system. A plan will need to be developed detailing how and when to transition current records to the four-sided folders.

Evaluation Method

The Quality Assurance Tool (Attachment 4) developed to evaluate Medicaid compliance will also serve as the primary method of evaluating the success of the new Psychological Services Documentation Tools. This tool will list all criteria with a check system to indicate if the criterion was “Met”, “Unmet”, or “Not Applicable (N/A)”. It will also include a comments section that will allow the reviewer to capture additional information or further explain any previous comments. Annually, OCM staff will utilize the tool to review a minimum of ten (10) records from each Community Psychologists. The psychologists will be required to submit a corrective action plan to address any criteria that received an “Unmet”. The corrective action plan will list the deficiency(s) identified, the task required to correct the deficiency, the steps necessary to prevent the occurrence of the deficiency, and a deadline to accomplish the steps. At the next review, OCM will be responsible for ensuring that all corrections have been implemented.

Use of the Quality Assurance Tool will allow OCM to identify recoupable issues, potential billable units, and individual staff documentation deficiencies. In addition, the tool will facilitate a way to determine if the operational practices of each Community Psychologist are consistent with DJJ and Medicaid policy and procedures providing an additional mechanism for performance management. More importantly, the Quality Assurance Tool will provide a consistent way for DJJ management to assess Community Psychologist activities and the amount of time needed to perform each task in the evaluation of resource allocation.

Summary

There is a demonstrated need for a standardized method of documenting psychological services provided by the Community Psychologists of the Department of Juvenile Justice. Having a standard will greatly reduce the number of deficiencies within each juvenile record and improve the overall quality of documentation. Reduced deficiencies and improved quality have the end product of decreased recoupment of Medicaid monies as a result of inadequate/insufficient documentation. Currently, psychological services billings comprise thirty-five percent (35%) of the total Medicaid reimbursement received by DJJ. This equates to approximately \$1.9 million in revenue. Given the bleak economic forecasts for the state, the agency must ensure that it incurs minimal recoupment. Even a three percent (3%) recoupment of psychological services would be enough to cover the salary and fringe benefits of one (1) Band 5 position. Implementation of the standardized tool and quality assurance process will allow the agency to take an important step in its proactive approach to Medicaid reimbursement. Costly documentation errors/omissions will be identified prior to an actual audit by the Department of Health and Human Services. Most importantly, the development of the Psychological Services Activity Note, file organization, and quality assurance review tool will serve as a complement to the agency's goal of providing quality services to the juveniles entrusted in its care.

**SOUTH CAROLINA DEPARTMENT OF JUVENILE JUSTICE
Organization of the Juvenile Psychological Record**

Section 1 – Legal Information

Form 5
Court Orders
Juvenile Petitions
Police Reports

Section 2 – School Information

School Discipline Reports
Grade Reports/Report Cards
IEP
Psycho-Educational Evaluation
School Attendance Records

Section 3 – Assessment/Historical Information

CAE
GAIN Assessment
Previous DJJ/Mental Health Evaluations
Previous DJJ/Mental Health Consults
Previous Medical Necessity Statements
Hospital Records
Reports/records from other Agencies (i.e. Voc Rehab, DSS, DDSN, etc.)
Reports/records from completed DJJ programs (i.e. JEEP, Choices, PWI, etc.)
Discharge Summaries from prior agencies/programs

Section 4 - Documentation

(Documents should be filed chronologically with most current on top)

Psychologist Clinical Service Notes
Correspondence concerning the juvenile
Psychological Evaluation Reports
Psychological Consult Reports
Medical Necessity Statements
Tests

**SOUTH CAROLINA DEPARTMENT OF JUVENILE JUSTICE
Community Psychological Activity Note**

JJMS#:	Client Name:	
Date of Activity:	Start Time: _____ End Time: _____ Length of Service: _____ mins	
Type of Activity		
<input type="checkbox"/> Assessment	<input type="checkbox"/> Testing	<input type="checkbox"/> Staffing/Case Consultation
<input type="checkbox"/> Therapeutic Activity	<input type="checkbox"/> Other: _____	
Psychologist Signature:	Date:	

**SOUTH CAROLINA DEPARTMENT OF JUVENILE JUSTICE
Activity Note Cheat Sheet**

Assessment Activities:

- Completing Community Evaluation
- Completing Pre-Dispositional Evaluation Reports
- Medical Necessity Evaluation Completion
- Written Consultation Reports
- Placement Evaluations
- Waiver Evaluations

Staffing/Case Consultation Activities:

- Juveniles Staffed/Psychiatric Evaluations
- Internal Staffings (Multidisciplinary Team Staffings with DJJ staff)
- External Staffings (Includes Staff from Other Agencies)
- External Case Consultations (Includes Telephone Consults)

Therapeutic Activities:

- Individual Counseling
- Collateral Counseling
- Family Therapy Session
- Family Consultations (Includes Telephone Consults)
- Crisis Interventions
- Group Therapy Sessions

Testing Activities:

- Administering any juvenile screening test

Other:

- Providing Supervision
- Conducting Training
- Attending Training
- Report Writing
- Research

**SOUTH CAROLINA DEPARTMENT OF JUVENILE JUSTICE
PSYCHOLOGICAL SERVICES FILE REVIEW**

DATE OF REVIEW:	CLIENT NAME:
REVIEW PERIOD:	JJMS#: MEDICAID#:
MEDICAID PROGRAM COORDINATOR:	PSYCHOLOGIST:

CRITERIA	MET	UNMET	N/A	COMMENTS
1. Start and End Times are clearly documented on the Activity Note.				
2. The Length of Service reported on the Activity Note is supported by the information documented within the note.				
3. The Length of Service reported on the Activity Note corresponds with the Total Time reported on the Medicaid Billing Report.				
4. The Type of Activity is clearly documented on the Activity Note.				
5. For Activity Notes documenting Psychological Testing/Evaluation, is there a copy of the test/evaluation results in the file.				

CLIENT NAME:

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CRITERIA	MET	UNMET	N/A	COMMENTS
6. Each Activity Note is signed and dated by the Psychologist.				
7. The file is organized in accordance with the Organization of Juvenile Psychological Record.				
8. Errors are corrected per Medicaid standards.				

^ Falls outside the review time frame.

ADDITIONAL COMMENTS: