

Audit Highlights



Highlights of performance audit report on the Department of Veterans Services issued on May 14, 2021.

Legislative Auditor report # LA22-07.

Background

The Department of Veterans Services (Department) was established in 1943. The mission of the Department is to provide vital and efficient service to and advocate on behalf of veterans, their dependents and survivors; and provide its community and partners the opportunity to contribute in these endeavors. To fulfill its mission, the Department assists veterans with obtaining federal benefits, providing skilled nursing care, providing burial support at the state veterans cemeteries, and helping veterans successfully integrate into Nevada communities. In February 2021, the Department reported over 240,000 veterans residing in Nevada.

The Department administered nine budget accounts, with \$52 million in revenues and \$42 million in expenditures during fiscal year 2020. The Department is primarily funded through resident fees for skilled nursing facilities and General Fund appropriations.

The Department's headquarters are located in Reno, with an administrative office in Las Vegas. The Department also has advocacy offices to assist veterans in Carson City, Elko, Fallon, Las Vegas, Pahrump, and Reno. As of June 30, 2020, the Department had 247 authorized positions, of which 232 were filled.

Purpose of Audit

The purpose of the audit was to determine whether the SNSVH has adequate processes over assisting residents with Medicaid enrollment and other matters, ensuring financial information is reviewed upon admission, and obtaining timely bed holds. This audit included a review of resident accounts during fiscal year 2020 and prior periods for some activities.

Audit Recommendations

This audit report contains five recommendations to improve processes over assisting residents with Medicaid enrollment, ensuring financial information is reviewed upon resident admission, and completing forms timely.

The Department accepted the five recommendations.

Recommendation Status

The Department's 60-day plan for corrective action is due on August 10, 2021. In addition, the 6-month report on the status of audit recommendations is due on February 10, 2022.

Department of Veterans Services

Summary

The Department can provide more assistance to Southern Nevada State Veterans Home (SNSVH) residents. Specifically, the home needs a formalized process for helping with timely enrollment into Medicaid. Untimely enrollment can result in less revenue for the Department and unnecessary debt for disadvantaged veterans. Additionally, a review of potential residents' financial capability prior to admission is needed to ensure residents are able to pay for their care at the home. Admitting residents without adequately considering how services will be reimbursed can affect home operations. Furthermore, the home's bed hold process could be more consistent to ensure a resident can return to his or her room upon return from a hospital visit. Ensuring a resident's space at the home is secure is important for facility compliance with federal regulations and residents' peace of mind.

Key Findings

The Department does not have an established, formalized process for assisting residents with enrollment into Medicaid. As a result, some residents who could have been enrolled into Medicaid were not and applications for others were delayed. Since Medicaid covers a portion of the veterans' cost for room and board, untimely enrollment can result in less revenue for the Department and unnecessary debt for disadvantaged veterans. (page 7)

In certain instances, the home did not help residents maximize use of public assistance programs. Our testing also found some residents did not submit applications timely, resulting in delayed enrollment and unpaid room and board charges. For some residents, it took over 140 days to submit an application for Medicaid enrollment. Three residents who may have qualified for Medicaid at some point during their stay at the home were not enrolled into the program and had over \$81,000 remaining due upon discharge. (page 8)

Adequate review of potential residents' financial capability is not occurring prior to SNSVH admission, which may lead to residents not being able to pay for their care at the home. Admission guidelines require a verified payment source from potential residents. Our review identified 7 of 26 residents did not have a comprehensive review prior to being admitted to the home. By performing financial reviews of potential residents, SNSVH can reduce potential hardships for residents unable to pay for their care by identifying available assistance programs. Our review of outstanding resident accounts as of June 2020 identified a balance of over \$83,000 in accounts that were 120 days past due for residents without evidence of a comprehensive financial review upon admission. (page 9)

Policies, procedures, or guidelines are not available for financial reviewers to evaluate a potential resident's ability to pay for uninsured care at the home. Staff indicated guidelines for financial review did not exist. Even though staff obtained financial documentation, including bank statements and tax returns, an evaluation of the resident's ability to pay was not performed. (page 9)

The Department's process for holding a resident's bed when they temporarily leave the home could be more consistent. When a resident is transferred out to a hospital, a bed hold form should be completed. We found bed hold forms are not always obtained timely for SNSVH resident transfers. We tested 24 of 152 residents who were transferred to a hospital in fiscal year 2020. We found 3 of the 24 residents did not receive a bed hold authorization form when transferred, and another 9 were untimely. (page 10)