



COUNTY OF LOS ANGELES OFFICE OF INSPECTOR GENERAL

312 SOUTH HILL STREET, THIRD FLOOR
LOS ANGELES, CALIFORNIA 90013
(213) 974-6100
<http://og.lacounty.gov>

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INSPECTOR GENERAL

July 30, 2020

TO: Supervisor Kathryn Barger, Chair
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FROM: Max Huntsman 
Inspector General

SUBJECT: **IMPROVING OVERSIGHT AND ACCOUNTABILITY WITHIN SKILLED NURSING FACILITIES (Board Agenda Item 23, May 26, 2020) – INSPECTOR GENERAL’S SCOPE OF WORK**

On May 26, 2020, the Board passed a motion directing the Executive Officer to facilitate the appointment of an Inspector General to conduct an exhaustive review of the County’s capacity to regulate skilled nursing facilities (SNFs) and to provide a report on the oversight and operations of SNFs in Los Angeles County (Report), in consultation with the Auditor-Controller (A-C), the directors of the health and social services departments of the County, County Counsel, and other appropriate department leaders. The Report should: 1) provide an evaluation of SNFs within the County, and 2) make recommendations on operational and programmatic changes necessary to improve the County’s monitoring and oversight of these facilities, including legislative and regulatory recommendations aimed at improving operations within these facilities. The Board motion further directs the inspector general consult with subject matter experts and stakeholders, including medical professionals, representatives of residents, workforce, and insurance payers and individuals with a high level of understanding of SNF administrative, financial and operational protocols, as well as legal and regulatory oversight to guide the recommendations within the Report. Lastly, the Board motion instructs the Inspector General designate to submit a scope of work proposal to the Board by August 1, 2020, that outlines a schedule for completing the Report, and to provide interim reports every 60 days until the final Report is completed.

On June 26, 2020, the Executive Officer appointed the County’s Inspector General as the Inspector General called for in the motion. The following scope of work details the Office of Inspector General’s objectives, tasks, and preliminary reporting schedule for its review and oversight of SNFs.

The Office of Inspector General intends to retain subject matter experts to assist in the review and the development of recommendations. We have identified experts with backgrounds in geriatrics, epidemiology, and public health, as well as expertise in the regulatory systems and operational protocols involved in improving the quality of care and quality of life for vulnerable adults with long-term care needs. The Office of Inspector General will submit all reports, updates, and tasks related to this motion directly to the Board.

SCOPE OF WORK

I. Oversight Review

The Office of Inspector General (OIG) will:

- A. Identify federal, state, and local regulations and reporting requirements pertaining to SNFs.
- B. Analyze the Department of Public Health's (DPH) system of monitoring SNF compliance with pertinent federal, state, and local regulations and reporting requirements and determine whether:
 1. DPH conducts valid, timely, and thorough facility inspections;
 2. DPH's process for issuing sanctions, identifying violations of regulations and reporting requirements is effective;
 3. Identified violations of regulations and reporting requirements are remedied in an efficient and timely manner; and
 4. DPH tracks outstanding violations and whether the tracking and enforcement process is effective.
- C. Determine DPH's specific obligations related to SNFs under the terms and conditions of Standard Agreement Number 19-10042, the current contract between the California Department of Public Health (CDPH) and DPH. Pursuant to the obligations set forth in the agreement, the OIG will review:
 1. DPH's process for handling SNF complaint and facility reported incidents (FRI) investigations;
 2. DPH's ability to prioritize, monitor, and track SNF complaint and FRI investigations;
 3. The current backlog of SNF complaint and FRI investigations to determine the reasons for the backlog;
 4. A sample of SNF inspection reports, complaints, and FRI investigations to assess objectivity, and thorough and timely completion;
 5. DPH's process for certifying and licensing SNFs; and

6. DPH's resources to determine whether any additional resources are necessary to adhere to the terms of the agreement, which require the backlog of investigations be cleared.
- D. Report on the A-C's progress carrying out the following directives from the May 26, 2020, Board motion and corresponding tasks (see attachment for the A-C's scope of work and status as of July 10, 2020):
1. Develop a publicly available dashboard, in collaboration with DPH and other appropriate County departments, to be updated and posted on a weekly basis by DPH, that provides information by individual SNF on COVID-19 related data.
 - a. Identify all data sources (via the Centers for Disease Control and Prevention's National Healthcare Safety Network, and DPH's Health Facilities Inspection Division's (HFID) internal files and supplemental survey) to be included on the Dashboard.
 - b. Assess how the data interrelates and identify the flow of data from the SNF to the dashboard identifying all touch points to the data.
 - c. Design and develop analytics that address metrics around SNF activity and performance.
 - d. Test and validate the dashboard, assuring data integrity and proper summary of data on the dashboard. Publish the County SNF Dashboard to DPH's public facing website for citizen consumption.
 2. Assess HFID's ability to monitor and ensure SNF compliance with the COVID-19 Mitigation Plans (Plans) while maintaining the required level of non-COVID-19-related investigations and meeting other critical oversight roles necessary to ensure the ongoing health and safety of residents and staff within these facilities.
 - a. Obtain and assess HFID's plans, policies, and procedures for ensuring compliance with the Plan requirements imposed by the State, and determine/identify all critical oversight roles DPH is responsible for under Standard Agreement Number 19-10042.
 - b. Obtain and assess HFID's enforcement protocols for ensuring SNFs are in compliance with their Plans and other requirements imposed by the County, State, and federal guidelines.
 3. Work with the Chief Executive Officer (CEO), Director of the Department of Human Resources, County Counsel, and the Director of DPH to ensure there is the necessary staffing, expertise, training, enforcement protocols, and other functions required to support DPH's monitoring and enforcement effort.

- a. Obtain and compile the State's and DPH's current staffing levels, organizational structures, total number of SNFs (and other types of facilities) under their purview, listing of operational duties/responsibilities (e.g. licensing, certification, inspection, and investigation) of their evaluators/inspectors when overseeing all facilities, and total number of backlogs, if any.
 - b. Compare HFID's current staffing levels and structures, in terms of number of employees, responsibilities and duties, classifications, expertise, and training, to those of the State since no other county in California has the same State-contracted scope of work.
 - c. Assess HFID's organizational structure and the number of staffing needed to adequately ensure compliance with monitoring the COVID-19 Mitigation plans while maintaining the required level of non-COVID-19-related investigations and other critical oversight roles.
- E. Ensure that adequate transparency mechanisms related to crucial areas of public interest exist within DPH to promote accountability.

II. Operational Review

The OIG will:

- A. Identify factors that contributed to the COVID-19 crisis throughout County SNFs.
- B. Conduct a holistic review, including an operational and programmatic assessment, of:
 - a. Living conditions for, and the overall quality of care of, residents;
 - b. Adequacy of SNF staffing levels and working conditions;
 - c. The availability of resources necessary to implement training on federal, state, and local guidelines;
 - d. Compliance with COVID-19 testing and reporting requirements; and
 - e. The County's ability to monitor and maintain consistent quality of care standards in all SNFs throughout the County, regardless of the economic vulnerabilities of the communities they serve.
- C. Conduct site visits to gather information through direct observation and conversations with residents, staff, and operators.
- D. Identify structural and operational changes targeted at creating a system of standardized, consistent, measurable, and sustainable oversight.

III. Policy, Regulatory, and Legislative Recommendations

Pursuant to the oversight and operational reviews, the OIG, in consultation with the A-C, CEO, the directors of the health and social services departments of the County, and County Counsel, will present policy, legislative, and/or regulatory recommendations for consideration at the local, state, and federal levels. Recommendations will be aimed at improving SNF operations and oversight as well as mitigating further COVID-19 impact and preventing future public health emergencies. The OIG will:

- A. Obtain input from community stakeholders and advocates, medical professionals, resident representatives, residents, line staff and management, insurance providers, and also individuals with a high level of understanding of SNF administrative, financial and operational protocols, and legal and regulatory oversight.
- B. Assess the results of the oversight and operational reviews and in consultation with A-C, CEO, and County Counsel, draft policy, legislative, and/or regulatory recommendations aimed at creating a system of robust and durable oversight of County SNFs. Recommendation will focus on the following:
 - 1. Enhancing the safety and quality of care for all residents living in SNFs throughout the County, regardless of location or economic circumstance;
 - 2. Ensuring that ongoing adequate infection control measures are in place and monitored by the County; and
 - 3. Supporting and protecting the health care professionals that serve in this industry.

PRELIMINARY REPORTING SCHEDULE

As new COVID-19 cases and infection rates surge in the County, protecting the health and safety of SNF residents and staff is critically important and requires immediate action. The OIG, in coordination with DPH and the A-C, will initially focus reporting efforts on identifying actionable recommendations that can be implemented in the near term to mitigate the impact of COVID-19 throughout the County's SNFs. The OIG anticipates that the first two interim reports, due on October 1, 2020, and December 1, 2020, respectively, will include a discussion of the mitigation efforts and highlight any outstanding areas for concern. The rapidly evolving nature of the COVID-19 pandemic makes it difficult to foresee the extent of work required to effectively mitigate outbreaks at this time. Therefore, the December 1, 2020, interim report will include a final reporting schedule for the completion of the Report.

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If you have any questions, please do not hesitate to contact me at (213) 974-6100.

MH:bo

Enclosure

c: Sachi A. Hamaj, Chief Executive Officer
Celia Zavala, Executive Officer
Mary C. Wickham, County Counsel
Barbara Ferrer, Ph.D., M.P.H., M.Ed
Department of Public Health
Arlene Barrera, Auditor-Controller



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

ARLENE BARRERA
AUDITOR-CONTROLLER

OSCAR VALDEZ
CHIEF DEPUTY AUDITOR-CONTROLLER

ASSISTANT AUDITOR-CONTROLLERS

**PETER HUGHES
KAREN LOQUET
CONNIE YEE**

July 28, 2020

TO: Max Huntsman
Inspector General

FROM: Arlene Barrera *Arlene Barrera*
Auditor-Controller

SUBJECT: **IMPROVING OVERSIGHT AND ACCOUNTABILITY WITHIN SKILLED NURSING FACILITIES (May 26, 2020, Board Agenda Item #23) – AUDITOR-CONTROLLER'S SCOPE OF WORK**

On May 26, 2020, the Board of Supervisors (Board) directed the Inspector General (IG) to provide a report on the Oversight and Operations of Skilled Nursing Facilities (SNF) in Los Angeles County (Report). The IG's Report is to provide an evaluation of SNFs within the County, recommendations on operational and programmatic changes necessary to improve the County's monitoring and oversight of these facilities, and include legislative and regulatory recommendations aimed at improving operations within these facilities.

The Board also directed the IG to complete their Report in consultation with the Auditor-Controller (A-C) and other appropriate department leaders, and to provide a proposed scope of work to the Board in writing by August 1, 2020, that outlines a schedule for completing the Report. The A-C's directives from this Board Motion, and our scope of work and status as of July 10, 2020, are as follows:

Public Dashboard

Develop a publicly available dashboard, in collaboration with the Department of Public Health (DPH) and other appropriate County departments, to be updated and posted on a weekly basis by DPH, that provides information by individual SNF on COVID-19 related data.

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- Identify all data sources (via the Center for Disease Control's National Healthcare Safety Network, and DPH's Health Facility Inspection Division's (HFID) internal files and supplemental survey) to be included on the Dashboard.
- Assess how the data interrelates and identify the flow of data from the SNF to the dashboard identifying all touch points to the data.
- Design and develop analytics that address metrics around SNF activity and performance.
- Test and validate the dashboard, assuring data integrity and proper summary of data on the dashboard. Publish the Los Angeles County SNF Dashboard to DPH's public facing website for citizen consumption.

Status:

- Obtained information on DPH's experience with the development of other dashboards, the toolsets used for data collection, data cleanup, and reporting/analytics.
- Reviewing DPH's draft dashboard design and assisting DPH in developing their dashboard assessment tool.
- Awaiting DPH's data flow diagram that will be used to validate the integrity of the data at all stages.

Assessment of DPH's HFID

Assess HFID's ability to monitor and ensure SNF compliance with the COVID-19 Mitigation Plans (Plans) while maintaining the required level of non-COVID-19-related investigations and meeting other critical oversight roles necessary to ensure the ongoing health and safety of residents and staff within these facilities.

- Obtain and assess HFID's plans, policies, and procedures for ensuring compliance with the Plan requirements imposed by the State, and determine/identify all critical oversight roles DPH is responsible for under its contract with the State.
- Obtain and assess HFID's enforcement protocols for ensuring SNFs are in compliance with their COVID-19 Mitigation Plans and other requirements imposed by the County, State, and federal guidelines.

Status:

- Verified all SNFs submitted their Plans to HFID for review/approval by the June 1, 2020 deadline as required by the State's All Facilities Letter Directive dated May 11, 2020.
- Reviewed HFID's implementation tool that will be used to verify whether the SNFs are in compliance with their approved Plans and confirmed HFID has scheduled three rounds of onsite visits, in accordance with the State's Directive, beginning July 7, 2020.
- Reviewing HFID's COVID-19 enforcement protocols to determine whether they are aligned with the State's requirements, are sufficient to ensure compliance by the SNFs, and include penalties/fines and/or other ramifications when SNFs are not in compliance with all requirements.
- Determined the total number of current and past due investigations. In the process of obtaining HFID's current workload and backlogs of other duties (e.g. licensing, certifications, and inspections) pertaining to the SNFs.
- Compiling a list of all critical oversight roles and responsibilities under DPH's jurisdiction, including facilities (besides SNFs), and determining what other backlogs exist, if any.

HFID Benchmarking Analysis

Work with the Chief Executive Officer, Director of the Department of Human Resources, County Counsel, and the Director of DPH to ensure there is the necessary staffing, expertise, training, enforcement protocols, and other functions required to support DPH's monitoring and enforcement effort.

- Obtain and compile the State's and DPH's current staffing levels, organizational structures, total number of SNFs (and other types of facilities) under their purview, listing of operational duties/responsibilities (e.g. licensing, certification, inspection, and investigation) of their evaluators/inspectors when overseeing all facilities, and total number of backlogs, if any.
- Compare HFID's current staffing levels and structures, in terms of number of employees, responsibilities and duties, classifications, expertise, and training, to those of the State since no other county in California has the same State-contracted scope of work.
- Assess HFID's organizational structure and the number of staff needed to adequately ensure compliance with monitoring the COVID-19 Mitigation plans while maintaining

the required level of non-COVID-19 related investigations and other critical oversight roles.

Status:

- Compiled HFID's current staffing levels, organizational structures, and the total number of SNFs under their purview, and identified HFID's operational duties/responsibilities pertaining to the SNFs under their jurisdiction.
- Compiling a list of all critical oversight roles and responsibilities, and facilities (besides SNFs), under the State's purview.
- Awaiting information requested from the State on staffing levels, organizational structures, duties/responsibilities, workload statistics on required activities, and other information needed to perform our benchmarking analysis/comparison.
- Awaiting information on HFID's total workload requirements based on their State contract for all facilities (including SNFs) under their jurisdiction, and workload data (time required to perform a required activity) from both HFID and the State for estimating HFID's total workload and staffing needs to meet HFID's contractual obligations, including COVID-19 Mitigation Plan requirements.
- Determining if there are counties outside of California that could be used for benchmarking since no other counties within California are comparable or have a similar contract with the State.

As the A-C completes sections within our scope of work, we will provide the results and the status of any remaining sections to the IG for their interim reports to the Board.

If you have any questions please call me, or your staff may contact Terri Kasman at tkasman@auditor.lacounty.gov.

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c: Celia Zavala, Executive Officer, Board of Supervisors