

LEGISLATIVE AUDIT COMMISSION

August 22, 2025

Springfield, Illinois

Senators: Rose, Turner, Rita, Balkema, Ellman, Wilcox

Representatives: Elik, Manley, Meier, Moore,

Meeting began at 9:15 am.

Rose: Mic check, 1, 2. Check, check. 1, 2. Mic check. Morning, everyone. Looks like they're getting close. Chris, you're muted. Good morning. Morning, everybody, this is Senator Chapin Rose. If it's okay, we'll call the to order this meeting of the Legislative Audit Commission.

Voice Recorder: Recording in progress.

Rose: Like to acknowledge the presence of fellow commissioners, Senator Doris Turner, Representative Amy Elik, Representative Natalie Manley, Representative Charlie Chuck Meier. Just seeing if you're paying attention. And Representative Kyle Moore. We do, and Co Chairman Representative Rita. Welcome. Do we have anyone, is that quorum now?

LAC Director Ray: We do have quorum in the room.

Rose: So, quorum is now established in the room online. If you'd please turn on your cameras, Senators. We have Senator Balkema, Senator Ellman, Senator Wilcox, and Representative Evans. If you would acknowledge your presence as being present. I don't know how to do that.

Ray: Evans isn't here.

Balkema: Good morning, sir. Sorry.

Rose: Yeah. Who is that?

Balkema: Good morning, this is Chris.

Rose: Senator Balkema, thank you.

Wilcox: Senator Wilcox.

Rose: Thank you, Senator Wilcox.

Ellman: I'm in here.

Rose: Okay. Thank you. And I was incorrect Representative Evans is not online, but we expect him at some point. Okay. Okay, so first, a Zoom warning for everyone. As some auditors, participants and members will be joining remotely, I would ask that each of you ensure that you're on mute unless that you wish to speak, in which case I ask that you raise your, use the raise your hand feature on Zoom, and I will call on you once it is your turn to speak. Once you are called on, please say your name for the record and begin to speak. The Legislative Information System is recording this proceeding and will be, and also Blue Room Stream is providing video and audio so that public and media are able to listen in as they wish.

Just a note for University and Agency officials and other members for transcribing purposes, please always allow the speaker before you to finish before your next question is asked. And please do your best to avoid talking over each other. I will admonish myself on that as well. Our audits today are for the Department of Human Services, both compliance and performance audits. However, before we begin, because we do have a quorum present, we need to do a little bit of housekeeping first. Bear with me. We're going to turn first to the proposed regulation amendment for the Office of the Auditor General that requires our approval as a commission. This change updates the references to government auditing standards, J.S. also known as the Yellow Book, to incorporate the 2024 revision of the generally accepted Government Auditing standards as embodied in the Government Auditing Standards issued by the Comptroller Journal of the United States. It updates the website for the American Institute of Certified Public Accountants standards and also updates the mailing address for the fraud hotline to the office's current address. Do any members have any questions on amendment and or would the Auditor General like to explain the changes? Maybe start with the general first, then we'll take any questions.

Mautino: Thank you, Mr. Chairman. I think your explanation for that was perfect. We're basically adopting the standards and the changes that have occurred from AICPA and the Yellow Book. I know of no objections to these changes and would ask for your support.

Rose: Thank you. General. Are there any questions or objections to the amendment as proposed from members? Any members online? How do we know? Seeing no hands up online by a motion made by Representative Moore.

Ellman: I'll move.

Rose: And seconded by Senator Ellman. All in favor, please say aye.

All: Aye.

Rose: Say nay. And the ayes have it. In the opinion of the Chair, the regulation amendment is approved. So where are we at? All right, we're going to go back to LAC resolution number 169. This asks the Office of Auditor General conduct a performance audit of Emergency Procurements for FY24-25. The sponsor of this resolution is Representative Amy Elik. Representative Elik, would you like to present your resolution?

Elik: Thank you, Chair. Resolution 169 is just a Resolution asking the Auditor General's office to study emergency purchases. These sort of came to light with more focus over our last few LAC meetings and where we've sort of reviewed and noticed some things that we thought were questionable as to whether this was truly an emergency purchase. And what my hope is for this resolution is that we determine, you know, are these processes really effective in being used for what's truly an emergency and giving us some light on, like, what are the most often things that these are used for. In my mind, an emergency is, you know, the air condition breaks in a state building and we have to hurry up and fix it or, you know, lightning strikes something. And I think often times really what's called an emergency is maybe there weren't enough vendors bidding on a project, and so an emergency has to be made to award it to someone. So, I think really reviewing what we're using them for and are they being done correctly is really important. So, I would ask the committee members for your support of this resolution and we look forward to hearing the outcome. And I want to thank the Auditor General's office for helping draft this resolution.

Rose: Thank you, Representative Elik. Are there questions on Representative Elik's resolution?

Rose: I see Senator Balkema has his hand raised online, you're recognized, Senator Balkema.

Balkema: I support the plan and I support the Resolution. I just interested in what's kind of the rails of what we expect on the outcome. The result of the study should yield kind of a punch list of rules to follow or protocol or what's our expectation and hope to get out of the study.

Elik: Thank you. Good question. I would say that first the Auditor General's office will determine are the agencies using the appropriate rules that are already in administrative rules and other statutory requirements to determine are we truly following what's already in statute? But I think it does inform us as members of the general assembly, are there some loopholes that we need to close and is there, you know, certain agencies using these more than others that we need to investigate further? That would be my goal.

Balkema: Okay, thank you.

Rose: Thank you, Senator Balkema, Senator Ellman, you have your hand raised. Please proceed.

Ellman: Thank you. Actually, the question I had was about what kind of criteria and Representative Elik talked about that. Representative or Commission, are there also going to be lines of questioning about the amounts that have been submitted for emergency? Because some of them have been quite large, especially relative to the planned expenditure.

Elik: Yes, one of the criteria is that we'll examine those estimated costs that were originally submitted with the emergency purchase request versus what it actually was. And I think that's really important because we want to make sure that we are getting the full information and those estimates are accurate and not just blown through later as part of this process. So, I think that's a really important part.

Ellman: Thank you. I'm in support.

Rose: Sorry, I was getting. Any other questions? Okay. Seeing none. On a motion made by Representative Meier and seconded by Representative Moore, to accept LAC Resolution Number 169. All in favor say aye.

All: Aye.

Rose: Opposed say nay. Chair, the ayes have it and the Resolution is adopted. And the Resolution, LAC Resolution Number 169 is adopted. Okay. We're going to move on to our first two reviews of the Department of Human Services FY 20 -21 and FY 22-23 compliance examinations. This is going to be a little bit weird how we do this today because we have DHS up for, I think, the entire day. So, you know, we can take them Resolution by or examination by examination, but I suspect that there's going to be a very broad conversation, at least in the early run, and then that may trail off a little bit. So, I think you have to bear with us if we sort of get our objections out of order in terms of what goes with what specific compliance examination. But for right now, we'll go ahead and start with FY 20-21 and FY22-23 compliance exams. Director, if you know you're at the table when we get to you, we'll ask you to introduce yourself and your guests and your staff. Auditor General Mautino, if you would like to go ahead and make any comments you wish and then have your staff present the audit and then we'll come to the agency. Thank you.

Mautino: Thank you, Chairman Rose. Chairman Rita. Welcome, Secretary. Both compliance examinations of the Department of Human Services (for the two years ended June 30, 2021 and for the two years ended June 30, 2023 were conducted by the firm of RSM

US LLP. Kelly Kirkman is with us here remotely on behalf of the firm. The Audit Manager for the FY20-21 engagement was Ms. Janis Van Durme, who is now with the Governor's Office of Management and Budget. The Audit Manager for the FY22-23 engagement was Ms. Megan Green, and she joins us here at the table. Welcome, Megan. Courtney Dzierwa, our Financial and Compliance Division Director, will discuss the examinations. So, Courtney, if you'd like to discuss some of the findings.

Dzierwa: Good morning and thank you. For both compliance examinations, because of the significance and pervasiveness of the findings, we expressed an Adverse Opinion on the Department's compliance with the assertions which comprise a State compliance examination.

This means that while we obtained sufficient appropriate audit evidence, the misstatements, individually or in the aggregate, were both material and pervasive to the subject matter to such an extent we expressed an adverse opinion, pursuant to the Codification of Statements on Standards for Attestation Engagements.

There were 33 total findings in the FY20-21 compliance examination and 32 total findings in the FY22-23 compliance examination. Of the 32 findings in the FY22-23 Compliance Examination, 25 were repeated, and 7 were new. I will summarize a few.

In both examinations (Finding 21-11 and 23-10), we found that the Department was unable to provide adequate records substantiating the completeness of populations for one or more laws or regulations selected for testing, as of the end of fieldwork. Due to these conditions, we concluded that the Department's population records were not sufficiently precise and detailed under the Attestation Standards promulgated by the American Institute of Certified Public Accountants.

In the most recent compliance examination, some of the more significant issues noted were:

- Inaccurate populations for leases and asset additions and deletions:
- The population of restraints issued could not be substantiated:
- The population of employees qualified to order restraints could not be substantiated: and
- The population of visitor entry logs could not be substantiated.

This finding has been reported since 2017.

We recommended the Department strengthen controls over records maintenance for each area in which a compliance requirement is present. We further recommended that, to the extent possible, population records should be sequentially

numbered. Lastly, we recommended the Department strengthen its internal controls to ensure it maintains complete and accurate populations.

The Department accepted our recommendation and stated each Division would work to strengthen controls to ensure adequate records are maintained and can be provided when requested.

Findings 23-11 through 23-15 represent repeat findings of non-compliance with statutory requirements related to the Department's State-Operated Facilities. These findings were for noncompliance with statutory requirements regarding:

- the use of restraints and seclusion:
- the monitoring of facility visitors:
- residents' admission, discharges, annual evaluations, and requests for information:
- residents' dental, mental, and physical examinations:
- and pregnancy policies, administering pregnancy tests and recording residents' menstrual cycles.

We recommended that the Department management:

- retrain staff on compliance with statutory requirements:
- establish a process to monitor compliance with annual training requirements:
- enforce policies and procedures to ensure compliance:
- retain documentation:
- improve controls over monitoring:
- ensure that monitoring can timely identify areas of noncompliance and implement corrective action: and
- ensure internal controls over statutory compliance are operating effectively and are overseen.

New findings in the FY22-23 Compliance Examination were for a couple of items:

- Lacking sufficient internal control over accounting for intergovernmental expense transactions (Finding 23-03)
- Failing to properly classify fund balance in the General Revenue Fund (Finding 23-04):
- Inadequate controls over eligibility determinations and redeterminations for federal programs where such determination is documented using the Integrated Eligibility System (IES) (Finding 23-07):
- Inadequate controls over the reconciliation of its internal receipt records to the Office of Comptroller's Monthly Revenue Status

Reports (SB04) (Finding 23-20):

- Inadequate controls over the monitoring and implementation of various State statutes (Finding 23-25):
- Inadequate controls over the protection of confidential information (Finding 23-31): and
- Inadequate controls over employee travel (Finding 23-32).

To address these issues, we recommended that the Department:

- take responsibility for transactions and balances reported in its financial statements that are initiated and/or estimated by other State agencies:
- establish and maintain controls over the various mandates and identify and correct errors in a timely manner,
- evaluate policies and procedures in place to ensure proper compliance,
- comply with statutory requirements or seek legislative remedies as appropriate: and,
- where necessary, work with other agencies and vendors to ensure controls are implemented and appropriate documentation is maintained.

This concludes our opening remarks.

Rose: Thank you very much. Director, I'd take, I'm sorry, Secretary, I would take your opening statement at this time and please introduce those you brought with you. Thank you.

Quintero: Good morning. I'm hoping. Okay, there it goes. I just want to make sure you have the slides in front of you. Good morning, Chair Rose and Rita, and distinguished members of the commission. Thank you for having me here today. Auditor General, thank you. I'm Dulce Quintero, Secretary of Illinois Department of Human Services. Up front with me from IDHS, I know that we have three chairs here, so I have Tiffany Blair behind me, Chief of Staff. Right here, John Schomburg, Assistant Secretary for Programs. To my right, I have Joe Elbaum, Chief Financial Officer. And behind me I have Hannah Chi, Deputy for Operations. Our Acting Inspector General is also here behind me, Thor Martin and Assistant Deputy Inspector General Bill Diggins are here to join us for your questions on the OAG audit. And I have Meg Hooch, Chief of Staff for the Division of Developmental Disabilities, who would join us for questions on the CIL audit. We have the Chief Internal Auditor, Amy Macklin, here with us as well.

And I want to start by thanking Auditor General Mautino, for your partnership. We see this audit as tools for accountability and transparency. I appreciate the Office of the Auditor General through the review and of our agency and collaboration of working to correct these issues. Slide 2. So, I want to begin with just a bit of background about what we do here at IDHS. Many of our constituents receive services from the Department of Human Services. One in three people, Illinois, will receive services at some point. We have more than 100 local offices across Illinois and as well as seven psychiatric hospitals and seven state operated developmental centers.

Beyond that work, we work in close partnership with community-based organizations in every county in Illinois. As of this July, IDHS has five divisions. The Division of Mental Health and Division of Substance Use and Prevention and Recovery were integrated into new Division of Behavioral Health and Recovery. We know that at least a third of people receiving inpatient psychiatric care also have substance use disorder. This integration will streamline care for those with complex needs. The integration of the divisions is just one way we focus on providing quality and accessible care for people in Illinois.

Slide three, please. And I don't know who's swapping our slides. There we go. Over the past few years, our workforce has grown along our program scope and budget. We have worked hard in partnership with CMS and other State agencies to improve the hiring process to ensure we have the workforce to support our missions and programs. We now just have over 15,000 employees. This is over 2,000 more staff on board since FY23. And of the 15,000 employees we have, 52% are people of color, 67% are women. 11% of staff receive bilingual pay. As you know, in recent years we've expanded our scope to include firearm and violence prevention and homelessness response and prevention, among other areas. And our budget has grown proportionately and now is just over 14 billion for fiscal year 26.

I will now give an overview of each audit, pausing for questions, questions after each one. Slide 4, please. I will start with the two compliance audits. One covering FY 20-21, and the second covering the time period for FY 22-23. Slide 5. I will start with some good news about our trends while we still have work to do IDHS has seen 24% decrease in the number of compliance findings since FY16-17 audit. I'm going to pause here for a moment so you can review.

Okay. Slide 6. The compliance audit findings can be grouped into the following buckets. Facility findings, those related to the operations of our state operated developmental centers, psychiatric hospitals, financial findings, which we are happy to address with our fiscal leadership representatives here today. IES the integrated eligibility system utilized by IDHS and HFS for Medicaid, SNAP and other public benefits. The rest of the findings fall into IDHS operations or programs, including IT system findings. This slide show shows the number of findings by grouping as well as the status of the corrective action plans. Slide seven, please. Oh, okay. Yes. I'm going to pause here for any questions.

Rose: I would just keep going because you're going to get questions, I promise you that.

Quintero: Excellent, okay. So go to the, I think we, slide seven, please.

Rose: Secretary, hang on one second. The slides are in the totality. We need to focus on this compliance examination because the Auditor General has separate comments for the performance.

Schomberg: We're stopping after this. If we could go back two slides, Secretary will speak to some of our successes and then we'll move to questions on the compliance audit.

Rose: Okay.

Quintero: Thank you.

Rose: Thank you.

Quintero: Getting into some areas of progress of the 33 findings in fiscal year 20 and 21 audit, 10 were not repeated in FY 22-23, four findings were repeated but corrective actions have been implemented as of August 2025. Much of that progress can be grouped into four buckets. First, strengthening our financial reporting controls and reporting, we have implemented best practices like the Government Finance Officers Association Checklist and we have updated procedures around Accounts Receivable to address findings 3 and 22 of the FY 20-21 compliance audit. These changes are intended to be permanent solutions for continued compliance.

Second, executing internal intergovernmental agreements, we executed a new IDEA with DoIT that includes performance criteria and KPIs for each agency which was finding 28 of the FY 20-21 compliance audit. To address finding 2 from FY 22-23 audit, we established an IDEA with HFS and DoIT on Medicaid Management Information System data. This has increased each agency understanding of their roles and responsibilities. The third bucket is control over IES. The first point regarding IES also pertains to our work on IES. We've expanded our ideas with HFS and DoIT to clarify and define the roles of each agency for IES, which was finding number eight of FY20-21 audit. We've also received and strengthened our controls around access, ensuring users access is terminated in a timely manner addressing finding number six.

Finding seven was inadequate controls over disaster recovery. While this was repeated finding in FY22-23, it has been addressed and DoIT has documented a full failover playbook for disaster recovery and the fourth bucket Agency wide initiatives. I'm excited

to share with you that we have posted a request for proposal for electronic Health Records, IDA tests, state operated facilities are paper based and this contributes to many of the repeated findings at our facilities. We anticipate rolling out the electronic health records in fiscal year 27. Another exciting agency wide initiative around audit finding is the establishment of the Office of the Continuous Improvement. The office mission is to collaborate throughout the agency to achieve operational excellence, prioritizing increased effectiveness and efficiency delivering programs and services.

In a recent project, the Office of Continuous Improvement launched an Audit Resolution Action Guide with the goal of reducing and eventually eliminating repeated finance and audits ensuring responsiveness are consistent, timely and collaborative. This process involves root cause analysis and current state processes analysis to identify sustainable opportunities for improvements rather than temporary solutions. The project has launched with a pilot of one of our division Rehabilitation Services schools in the Illinois Center for Rehabilitation Education, specifically their petty cash controls. I'm excited to see how this project progresses and I'm looking forward to forward to addressing current and future audit findings with strategic proactive approaches. I will pause here now to take your questions on the compliance audit.

Rose: Before we begin, does the staff want to say anything? Does the auditor want to say anything in response to that? Okay. Is it, am I reading this correct, that there's an adverse opinion issued by the auditors against this agency with respect to these audits?

Dzierwa: That is correct.

Rose: Okay. I would like you to set the stage here. Why is there an adverse opinion?

Dzierwa: It's due to the materiality of the findings noted and the pervasiveness of the issues. When we evaluate the conditions noted in each finding we take into consideration a number of issues, we also look at the five assertions that appear in the report. So, if you'll, if you have the copy of FY22-23 report in front of you and you go to page nine in the hard copy, that is the independent accountants report, you'll see assertions A through E are the specified requirements. When we identify noncompliance with each of those specified requirements, and in some way, you know, we can kind of generalize that they, they did not comply with each of those, the appropriate opinion to issue is an adverse because we cannot conclude that they complied in all material respects with each of those five things.

Rose: So, I mean, I haven't done this nearly as long as you all have, but this seems to be a pretty bad audit of this agency. Is there anything that is rising to a level of criminality?

Dzierwa: We saw no indication of criminality or activity of that type.

Rose: Okay, I'm going to go ahead and I'm going to come back to that in a minute because I have my own questions. But what questions do the members have? Representative Meier.

Meier: Throughout the day I'll end up with a lot of different questions. Mainly they'll be lumped together at the end. But while we're talking about reporting and finding that you just can't find a report following. Is that correct?

Dzierwa: I'm sorry, can you repeat?

Meier: Well, throughout this in the audit, you keep saying that they're not seeming to report everything and it's hard for you to, to find the records.

Dzierwa: We did face some challenges in getting populations. You know, part of our audit approach is to get a population so we get our arms around how many of a certain type of transaction or instance occurred. And the standards require us to document our understanding and how we decided that what the department gave us was complete and sufficiently detailed for our purposes. When we start to notice errors, let's say if there were some types of form that was pre numbered and there were gaps in the numbers or, or maybe days of different logs were missing. Different types of issues can lend themselves to us concluding that a population of records was not sufficiently detailed and accurate for our purposes.

Meier: Well, that's not surprising at all. With having worked with this agency for the years that I've had a lot of times records don't follow residents even when they're moved from one place to the other. You know, whether it's their medical records, which surely should go, their medications, which surely should be followed, and they don't seem to follow the resident very well. Even their belongings don't always follow the resident well. So, I thank you for bringing this out. It's one of the things that I've been very active in over the last years and we'll get into more of it later. Thank you.

Rose: Other questions from members as to the compliance. Anyone online? Senator Wilcox. Oh, sorry, Senator Wilcox, got the best of you. Represent Elik. Wilcox, please proceed.

Wilcox: Thank you. Good to see you Secretary. I know we've had some discussions. In general, for the record, of the 15,000 employees, are all of them back working at their primary work location or is there a large percentage still, "working from home."

Dzierwa: Good to see you and good to be here at space with you. So, majority of our employees are working in in person. We have our 24/7, so staff are in person. You know

recently, I will say our case workers at our local offices were having a hybrid schedule. So I was in a rotation recently. We sent a communication out that they would be returning to in person to have more of an in-person presence in our local offices. But majority of our especially we have our 24/7 across. Everybody has been in person throughout, especially, you know, during the pandemic. Thank you for that question.

Wilcox: Thank you. And I know we had discussions in particular in regards to SNAP and the Federal rules that would start causing Illinois to fund a significant portion if we don't get our payment error rate down. How many of these compliance audit findings possibly directly lead to either that payment error rate or the other aspects that the Feds are looking to hold states accountable for in a similar structure?

Schomberg: Senator, I think we're happy to look at that further. To my knowledge, the only one that would really directly potentially impact is the IES one related to determinations and at best that would be indirect, but the vast majority do not relate to SNAP or payment audit, payment error rates.

Wilcox: Thank you.

Rose: Senator Wilcox, are you completed?

Wilcox: That's it for the moment.

Rose: Thank you. Representative Elik.

Elik: Thank you that was going to be my question too. And while that might have been maybe only one or a few of the issues identified in the compliance audits, that's a big one. So, can you talk more about the number seven recommendation and the inadequate controls over eligibility determinations and redeterminations in the '23 audit? Because this is a big one. Like we have to get this right because we are going to be paying a lot of money or people are going to be losing their benefits because of a high error rate and like that. That's not, I'm not satisfied through what's been said in the responses to the audit that we have our act together on this.

Chi: Thank you for the question, Representative. My name is Hannah Chi, I'm the Deputy of Operations and to address the issues around the challenges with eligibility determination and redetermination applications, our DHS has partnered with HFS to work with our IES vendor Deloitte to establish two types of dashboards that our FCS team is working and utilizing to manage this process. So, one of those dashboards is the Workload Management Dashboard and the other is a Case Progression Dashboard. The Workload Management Dashboard is updated every two hours, the Case Progression Dashboard updated daily. And as our managers at our FCRCs are utilizing these dashboards to then work with their teams as

due dates are approaching so that they can manage the progression of each of these applications to ensure that they are completed within the 30-day window.

Elik: How often are they completed within the 30-day window?

Chi: Both dashboards were implemented as of December 2024 and since that time we have seen a 5% increase in timely and accurate applications.

Elik: So, from what to what, what's the improvement? Are we talking about like a percentage of applications done in a timely manner?

Chi: We can certainly follow up with you for the exact percentages. I will have to circle back with our IES team on that. But the dashboards have proven to increase the timeliness of the application processing.

Elik: So, I guess then I would add to that, I mean I have a background in long term care finance and it has been well known over my career in that area that we have, for example nursing home residents that died six months ago that their family is getting bills because the department has not gone back and you know, approved their benefits and it's very difficult. I had one recently, this year too as a in a constituent case. So where are we at on tracking that and how much better are we at this point? Have we added more staff to handle these redeterminations?

Quintero: So, we have. Thank you for that question, Representative and so we have added more staff. I think your question around the nursing homes, I would like to probably hear more about that. Maybe my team can reach out to your office. As I mentioned earlier, I really want to as a department dive into root causes because you know, there's systemic, there's system changes, but also understanding what is training, what is the staffing issue, what are some oversight and reviews. So, I think that...flag. I also want to see the involvement of HFS because it's part of a lot of the findings here that I learned in reviewing. And that's why I really appreciate going through this audit is to have an opportunity to also figure out how to improve. So, I think the more I hear, especially some of those key examples that you named, I would appreciate to hear more and see where, you know, we can follow up to ensure that we have that addressed but also follow up on the numbers that you requested.

Elik: Thank you. And you mentioned that you had added 2,000 employees since fiscal year 23. What areas have they been added to? Are we talking like within those facilities themselves or within back-end processing of redeterminations?

Quintero: So, I would probably need to pull and see the breakdown. But it has been across IDHS, including our 24/7 our local offices who are processing applications. Recently too, we're also increasing our staffing because we know we recognize with some of the changes of

SNAP and the additional administrative, you know that we are going to have to do. We have to increase also the staffing. So, we follow a lot of different formulas based on our capacity, especially in our cases to see what our staffing needs to be. I will have to check and make sure that I can see if I can give you some of those breakdowns. I know that you're particularly interested to see if we enhance the back end of IES team.

Elik: So, another question, you mentioned that you've recently issued a communication to bring people back to work in the office. What date did you what date are they expected to return to the office?

Schomberg: That's beginning September 2nd, so the day after Labor Day. And just to speak a little bit further. So, in terms of the finding that Hannah was speaking to that was about Medicaid redeterminations. So, it has nothing to do with SNAP. So just flag that. We are increasing staff. We have increased staffing and tutorial caseworkers in our local offices and we are hiring more specifically to reduce the payment error rate. I guess I would also say to that like we are not atypical to as to other big states. And historically, the measure by FNS is how you measure against your peers. And we have been within the bounds of being measured against our peers. So, this is sort of setting new bounds on things that had not been the bounds to what the measure has been. But but we will play by the rules that we are being told now to play by and we're looking to reduce our payment error rate.

Elik: Well, I don't think that expecting a low payment error rate is something that's unusual. While it may be hasn't been demanded before, I think that's something that we would all expect of any state, big or small. Back to the return to work though, if you will. That has been an issue as well. And I think one of the things that's concerned me is as people are working at home with very sensitive and personal information for, you know, millions of people, I worry like when people are working at home, are they really keeping the information secure? And how do you really make sure that that information is secure of the, you know, the applicants and the people that are that are submitting financial information? So, I'm glad to hear that people will be back in the office, because I think the services have really suffered, especially in those local offices when people are hard to get a hold of and are not in the office to complete their tasks. So, I think I'll pause there may be and see if other members have questions, if that's okay.

Rose: Thank you, Representative Elik. Senator Balkema, you're up next.

Balkema: Thank you, Secretary and team. I appreciate the details here. Just a couple of follow up on the work from home and then I got two other questions. So how many of the new 2,000 employees that were recently hired are working from home?

Schomberg: So, I would speak that the vast majority are either at our 24/7's who are not working at home at all, or our caseworkers who are one, have historically been on a rotation

and now have been called back in terms of addressing this payment error rate and working with our labor partners on that issue.

Balkema: Okay, so just to kind of put a bow tie on this issue. So, after September 2nd, will the department be back to 100% working in the designated offices?

Schomberg: There still will be hybrid in some cases, and people will be in as needed who are in hybrid status. But the vast majority will be either in steep rotations as to our local offices or at our 24/7's fully, obviously at the facility.

Balkema: Okay, so if the committee's okay, would that be something that you'd be able to share with the team? Is after September 2nd total head count, how many people are still have a plan to work from home going forward, and how many people are back in the office. Would you be able to give us, provide that information?

Schomberg: Yes.

Balkema: Okay, perfect. And then as I walk through, then the findings. So, we've got, I'm just focusing now on the most recent audit. We had 32 total findings, 25 repeated. I appreciate the Secretary speaking a little bit ago about root cause, which is wonderful to get the root cause, corrective action. For each of the 32 recommendations, do we have, we've got 33 prior audit findings. So, for each of those, do we have an owner of the finding and then a target date for resolution? So, do we have an owner inside the department and then a date on when he or she is expected to have it complete?

Schomberg: Yes, we have owners, in some cases, multiple owners and specific dates captured in corrective action plans for each of the findings.

Balkema: Would that be possible to share with the committee? Obviously not right now, but is there any way we could just get a list of the finding, the owner, and then the target date for completion?

Schomberg: Sure. And I would just the disclaimer on the owner is, it would be like the Division of Developmental Disabilities, just making clear which divisions are responsible. But, yes, we can.

Balkema: But I guess do we have a name? Do we have a person that owns each issue ultimately?

Schomberg: Yes.

Balkema: Okay, so the request would be finding owner, so a person, so it, it can't be

a department. It has to be because, you know, you can get lost behind a department, but at the end of the day, one person's accountable or there may be multiple people that are working an issue, but the buck has to stop with one person. So, who owns the issue, ultimately list the finding and then target date for completion? And if you could send that to us, that's wonderful. And then, you know, sanity checks throughout. Like, we, we had an audit with IDNR a while back. So, I've been following up and other members as well, we've been following up then to say, okay, three months has progressed how are things going with those third? I think it was 37 findings that we had total. So, it would be great here to get that very clear chart of finding, owner, completion date and then we'll just, you know, monitor that on a quarterly basis or whatever you see fit to measure progress would be wonderful.

Schomberg: And we're happy to do that. I would say, we do work closely with staff for the Legislative Audit Commission and do provide that information, you know, as requested and on a routine basis. But we're happy to work directly with the commission too. Thank you.

Balkema: Okay, perfect. Thank you.

Quintero: The other piece that you should know, and I appreciate your question, is the level of oversight at IDHS. So, as you can see, John right here, he's the Assistant Secretary for Programs. If there is a finding and there's a corrective action plan that is within the program area, it automatically rolls up to the Assistant Secretary. And then we have an Assistant Secretary for Operations, you just met Deputy Hannah Chi. So, part of the continuous improvement office that we've also developed within IDHS is we're really pulling a lot of data analytics to ensure that we're following every audit throughout the years to see what has been like repeated and how do we dig in to correct that because it cannot continue to be band aid solutions. So, thank you for that question and we'll definitely follow up and continue to communicate that level. I think transparency is key to be able to partner and work through some of these audits. Some of them, as you know, you've mentioned, have been repeated.

Balkema: That's fantastic. So, with this new structure in place and the accountability, then I think your goal then for the next audit that would be completed in the two years, completed in '25 actually would be we would want to have very, very few repeat findings. Is that a fair statement?

Quintero: Our goal is to do that. I recognize that some of our repeated findings are systems, some of our legacy systems. I know I mentioned earlier in my remarks the paper-based environment like not having when I started IDHS in 2019, my background is also in healthcare and being surprised in our hospitals we don't have electronic health records. We just heard Rep Meier mention individuals that don't follow the residents like their charts. So, there is a lot of vulnerability by not having systems to be able to really you know follow our hospitals and residents, especially around pharmacy medications. Right now, we're actually implementing the pharmacy electronic health record system, which is one of the modules. The

other part of electronic health records is already, you know, so we're in process of hopefully implementing that by Fiscal Year 27. So, we're looking at legacy systems as well because we could do process procedures, training, but we also have to build the infrastructure to retain and mitigate some of these findings that continue to repeat.

Balkema: Yep, that's fantastic. And in closing, if we can move to electronic and be more efficient and accurate, then that's perfect. You know, until then, until you get the new systems updated or implemented, you know, governments ran for hundreds of years on paper. So, you can still run excellence, a very high quality in your organization and do it through paper. It's more efficient to your point. But as we move to the electronic systems and become more efficient, that's great. I have a high confidence that you can get the audit findings resolved. Doing it the old-fashioned paper and pencil way if you need to until you get the new system in.

Quintero: Thank you so much for that.

Balkema: Thank you.

Rose: Other questions for members Co-Chair Rita.

Rita: Thank you, Secretary. I know they've talked on some specific quadrant findings, but I'm looking at, hopefully I'm looking at the right one here because we got a number of them. But you said 33 findings. 10 were resolved and then four were repeated. What about the other ones in your slideshow? I'm looking.

Quintero: I'm going to have our Chief of Staff here. She wants to go into that.

Blair: I caught that as well. Those four were pulled out that we have fully implemented the corrective action plans. The others are still partially.

Rita: How many are there partially?

Blair: Well, don't make me do the math here. 33 less 10 went away. 4 yeah, whatever that is.

Rita: Explain what partially is.

Blair: Thank you, 19. Okay. Partially means that we're, you know, we are obviously working every corrective action plan. It may be that we, I'm thinking of one in particular. We have I think an end of September implementation date. So, we might have a system that we haven't launched. We're doing something with performance evaluation. We had a finding that we didn't have timely performance evaluations of our staff. So, we have trained everybody responsible for doing performance evaluation on the importance and the proper

timeliness. And now we have a system that we have people that are assigned to actually make sure people are getting them done. And then in the end of September we'll actually have like a process where we're notifying people like a system in choice. So that's kind of a partial.

Rita: So, I know what I wouldn't asked that question before you could answer the other. So how many with the math here, it's a little confusing how you've laid this out. How many are resolved and how many are not.

Blair: So, I think we're talking about the '21. The one that ended in Fiscal Year 21.

Rita: Yeah, 2021 and it seems like ...

Blair: We had 33, we had 10.

Rita: There's others that are repeated. That's why I say it gets a little confusing with all these different audits. But in looking at them, all the audits are bad and there's continued repeated here. But let's go back to your math on your slideshow and what has been resolved and what hasn't.

Blair: Okay.

Rita: And when you say it was resolved in 2021, how could it have been? Is it repeated into the next audit?

Blair: Okay.

Rita: Which gets a little confusing when you're looking at this. So could we just maybe help us understand.

Blair: Yes, thank you. The 20, the audit that ended in '21, of the 33, 10 were not repeated. And then of the ones that were repeated, four, we have fully implemented the corrective action plans at this point.

Rita: So, 29 is still outstanding or them are the partials.

Blair: No of the 30 ...

Rita: I guess here, let me make it pretty simple. How are we going to resolve this?

Schomberg: So, there were 23 repeats. Four of those have been fully implemented. 19

are partially implemented.

Rita: And this is going over a number of years, right.

Schomberg: Some of them are repeats beyond 2021, '22 and '23.

Rita: And then if I read this right, and it's pretty small, I mean, we come out that everything should be in place by or right now, August 2025. Right. So, does that mean that everything is addressed here and that we're going to come back in the next audit and we're going to find this going to be cleared up?

Schomberg: The corrective action plans have various dates in terms of deadlines. I know some of those dates, at a minimum, go through December of this year. So, we are working to execute all of those corrective action plans. We've partially implemented many of them and the plan is to fully implement on the timeline that we've set up.

Rita: And then is there a reason why they're only partially not fully? What would be the reasons in all these that they would just be partially implemented?

Schomberg: An example would be if there is a training process or a rulemaking process and you've trained half the staff and not the other half or rulemaking, you're on, you've drafted it, but it hasn't gone to first notice or second notice. So, like it has gone through a portion of the process but has not been finalized.

Rita: All right, I may come back with some other questions.

Rose: Other questions from the members. I have my own. Yes, Representative Meier.

Meier: Being relatively new on this committee, how often is it that we give an adverse rating to an audit? Is it frequent? Is it 50% of the time or 20% of the time or?

Dzierwa: I would have to get you more specific statistics on that, but I would say it is not a common occurrence.

Meier: Thank you.

Rose: So, picking up from there, this is quite frankly one of the worst audits I've ever seen and it's so bad you don't even know where to start. But let's start with the taxpayers and then we'll conclude with the human beings whose lives are caught up in this. First of all, the notion that somehow there's no correlation between employees at home and our error rates is insane. There's absolutely a correlation between employees working from home and our error

rates. You were talking about a situation and look; I will grant you for a moment that the rules of the game have changed in terms of what the standard is that you're computing your error rates against. But count me as unimpressed that the previous standard was the 5 largest worst run states in the country all get in a room and say, hey, we all look pretty good to each other when the rest of the country is doing a pretty damn good job with much lower error rates. Maybe that what should happen here is we should have lower error rates. And keep in mind that, like, I don't really care if California and New York and Illinois all look around each other and say, hey, we're doing pretty good at 11.6% error rate. By the way, your finding was a 20% error rate.

That's the taxpayer's money that is just being wasted, wholesale wasted and we're talking about, we're talking about trivial dollars. Potentially anything above 10% going forward will cost the taxpayers \$705 million annually. And you were at 11.5%, but 20% in this test. So, this ain't chump change we're talking about. So, I appreciate the fact that you guys are now, and I will repeat what you said, I'm glad you said it, that you recognize the rules of change and now you're going to play by the new rules. But there's no diminishment here of bad conduct because the federal government has now forced the five worst man states in the country to get their act together. Okay? That's what's happened. The rest of the country has said, we've had enough, we're not paying for waste anymore. So, I'm going to look forward to your efforts to bring those error rates down on behalf of our taxpayers that we represent. But now let's get to something that is even, quite frankly, more important than the \$700 million we're potentially going to lose. And that's these human lives.

This restraint stuff, it's just stunning. And I try to think, you know, what it's like for development disabled friends are those who might have been committed because of mental capacity issues. But the one that really just gets me is sign language users were denied their hourly release to communicate. I mean, what if they're in pain? What if they've got to go to the bathroom? They're communicating in sign language. There's no ability to shout that out. Or another audit we have, I don't know which, it's subsequent to this, I don't know what data is, but it's back here again. And in fact, it recommends that we retrain the entire staff on use of restraints. And look, I understand very well that when you're dealing with individuals who maybe have some of the worst afflictions known to man, that sometimes they might be difficult through no fault of their own to deal with. But that's why we have policies and procedures and we got to follow those policies and procedures. Otherwise, imagine being that human being cannot communicate verbally, stuck in a restraint for hours with no ability to say they got to go to the bathroom. That's just flat out wrong.

And by the way, this one has gone on for decades, since 2011. So, like, maybe, maybe we just take one thing out of today. Let's fix that for those people. Now, I do have a couple direct questions because, and I'd missed this until the Auditor General's brought up in the presentation. The finding 2016 about pregnancy testing. And at Murray, for example, 63% of residents were not pregnancy tested upon admission. Are there pregnant residents in these facilities?

Schomberg: We have had pregnant residents at our facilities, yes.

Rose: So, if we're not testing them when they come in, how do we know that they weren't impregnated while in our custody and care?

Schomberg: So, we are committed to working like one, the electronic health record system should help greatly with this in terms of tracking the records, and two, committed to both retraining and reviews and monitoring to make sure that our policies are tight and that we are following a documenting those policies.

Rose: Let me be clear on the question just asked. If you have an individual who was impregnated while in our custody and care, by definition, anyone in any of these facilities does not have the mental capacity to consent. So, what is being done and how do we even know the when and where of that? I mean, they can make certain assumptions about timing of things. But like if we don't know if, if they came in pregnant or not because we didn't do that test, how do we know that we don't have a real problem in one of our facilities? And that could either be a fellow resident or it could be a staff member in either vein, it's ain't good because that person has no capacity consent. So, like when I see stuff like that, it scares the living heck out of me. And I almost started to say something else I can't say on the TV here, but I mean, this isn't good. And like your opening comments are like, hey, look at all of our DEI initiatives.

Don't care. Don't care when we've got this going on to the people who cannot fend for themselves and cannot defend themselves. So, I just, I would love to know in the last five years how many individuals have in our care and custody are pregnant at all of our facilities. And I would like to know if they came into those facilities pregnant or not because this, because 63% we wouldn't even necessarily know if we've got somebody there, a bad actor. Hope we don't. But I'd like to know and I think you guys better get us an answer. And this restraint thing is just beyond belief. I mean, like just, I mean, train, test, do whatever you got to do to figure it out. But I would leave this room today with a renewed vigor to take care of these individuals. So, any other questions on these two from anybody? Yeah, Charlie.

Meier: As we get into the cost of it, there's a couple things that I've had many bills submitted far over the years. I'm going to give you a compliment on one of them in a minute, which I don't always do. And I know we've sped up the time with the investigator Office of Investigator General. But you have to realize the cost of the state of Illinois that you're doing when these cases, it's great when we can get them taken care of in 30 days. But when we have cases that are taking over 90 days, taking over a year, we're paying that employee to stay at home and not work a lot of times in these cases, which is now forcing us to make our other employees work double shifts when they're already working 40 hours a week. And they are now mandated to work an extra two days of overtime. So now they're working 56 hours, which then causes more stress on them, can also cause more stress that they more aggression. They're

not as happy or they're worn down. It's harder to work with these residents with special needs.

So, we're having the cost of overtime, we're having the cost of paying that person to sit at home. We need to speed this process up more. And when we're investigating abuse, yes, I know we have to work with the state police. But we need to find a way to work together. Because when you're going through these cases, it's awful hard to remember exactly what happened over a year ago. It's hard to find the people there because of the turnover we have in employees and retraining employees, we lose that time when they move on because of the mandatory overtime they've had to take. So, we're adding millions of dollars to the state budget every year because of this. I know we have sped it up. We've got to speed it up more. For the last several years, I have been very verbal against this agency for hiring practices. And I do want to say that, yeah, they couldn't let a bill from Representative Meier pass through the Senate and House. But hiring is going back more to the on-site hiring that we used to have where we see the person walk in. We know that somebody's not online filling it out for them. That's saving us two or three months of maybe paying a person we've hired that when they walk in, we find out they can't even read or write.

But I think we need to have the ability to work with all Representatives and all Senators from whatever side of the aisle they are when we have these suggestions that we could have been doing three years ago already and saving the taxpayers of Illinois much money other than saying, well, we're not going to let this happen. This is a Representative Meier Bill and that seems to be way some of these have been in the past. My goal as a State Representative is to help my constituents and the residents of Illinois. And it shouldn't matter what party I am and it shouldn't matter how hard I work for people with disabilities. That should be everybody's goals. And that doesn't always happen. And I, that's why I have more problems and I will get into them later or if, if they want me to start in on, on right now, on a lot of my issues I have with the Agency, I can. But you know, everybody sitting in this room here is worried about the residents of Illinois. We have to go out there. We are their eyes and we are their voices for many of them because they don't have that opportunity. So, whenever you're ready, I will continue with questions. But there may be others right now.

Rose: Anybody online, any other members on the oh, Representative Rita.

Rita: On the training, maybe you could help explain, if you could explain, you know what, what does it all entail? The breakdown, how's this being done? Dive into that, how you're doing your training or what, what your being done with training?

Schomberg: Sure. Thank you, Chair. So training was involved in several of the findings. You know, we do training at hire for restraint, seclusion, related to the pregnancy, dental, mental and physical. For restraint and seclusion, we also do it annually in person as standalone and for both the pregnancy, dental, mental and physical, we do it anytime there's a policy change or a significant event. And those are across our 24 ...

Rita: So, is it just once a year everybody gets training on one day? Is it ongoing training? That's why I said, could you break it down? How in all these different aspects, is it only when you just said only when a policy changed, it's just based on the new policy change or is there ongoing training and overall. So how are you ... Let us help me understand.

Schomberg: Sure. So, and we'll get into, when we get into the Inspector General audit, like that's annual training as well. So, we have various areas that have annual training. All the areas have training at the time of hire and then some of the areas have training at the time of hire and annually or at the time of hire, plus if there is a policy change or if there's a significant event like an audit finding that requires retraining. So that and it's done over time. We have multiple shifts, but yeah, it's done over time. And particularly when we're talking about Rule 50, which is Inspector General's rule dictating those investigations that's conducted by the Inspector General over time at all our various facilities on an annual basis.

Rita: And who's conducting the training on these. And I know what you're saying broadly, but maybe you want to break down in some of the specific parts that were mentioned into it, whether it's the restraining or whether ...

Schomberg: Sure.

Rita: You pick one of the audit findings that relates to training and what are we doing now, or.

Schomberg: Sure. So, for the Rule 50 training for the Inspector General, that training is conducted by the Inspector General's office. For the other trainings we've talked about, there are particular training systems that we use. Some are computer based as well. So that supplements individual in person standalone training in those cases as well. And we have trained dedicated training staff, both conducting the training and, and tracking the training.

Rita: All right, so with the continued audit findings and we keep hearing, okay, we're going to train people or we're training people, but how do we fix the audit finding and training?

Schomberg: So, I think there are sort of three elements to it and like training is definitely part of it. But to your point, that has not been sufficient. So, it's training followed by oversight and audits of those training to make sure and a lot of this is also many of the issues here are issues of documentation and being able to provide proof to the auditors that we have it documented, so that that is the principal training in terms of having the documentation. Once we have an electronic health record system that documentation will no longer be manual.

Rita: Is there training on how to retain documents and keep them in files so that

they're available for the auditors?

Schomberg: Yes.

Rita: But we still don't have that done.

Schomberg: We have it in the vast majority of instances. But yes, we have challenges in some areas in terms of documents and those are things that we want to work on both from a training and a monitoring standpoint. And ultimately, you know, having it in electronic place will be a heck of a lot easier.

Rita: Yeah, but until there's an electronic system in place, we're just going to continue to look at that and have an answer. I would think look at where the problem is or where the finding is and if it's on oversight or retaining it maybe we need training on how to retain it.

Schomberg: Very much.

Rita: Or am I saying something that you disagree with?

Schomberg: No, absolutely agree. And we have separate training on that. One of our findings related to some discrete confidentiality findings and for that we have training for all employees across IDHS both in terms of HIPAA as well as data security. And we have dedicated local privacy officers at each of our facilities who both do training and investigate issues and quarterly go out and look and make sure hey, has this been locked in terms of secure documents? Do we have documents safely stored? So like those are controls ...

Rita: And why I say this, it's in a number of. And it's continued goes back to it. What you know, that's why I'm asking what the training is. But what are we continuing to do to change it so that you could address the finding? And it doesn't appear what has taken place over the last years is still you still continue to get this. Is that?

Schomber: Yeah, what I would say like any issues are not acceptable but our issues are discrete in terms of these. But we are working to eliminate those discrete issues. I would also say when we're talking about populations, while that is a repeat finding, it is different areas where it happens. So, we address it in areas and then have to go to others. Once we have an electronic system that will be far less of an issue.

Rita: Well, I'd be curious until that electronic system is how we're going to fix the issues. Until that ...

Schomber: Yes, we have facilities where it's working well. We're going to standardize what they're doing across all facilities.

Rita: Thank you.

Rose: Other questions from members. Anybody online? Last call. Okay. Normally we would at this point move to accept these two compliance audits. However, in consultation with co-chair Rita, we're going to leave these open to the next meeting to ensure your compliance with response to. Oh, excuse me, Charlie Meier has one more question. With a late question Represent Meier.

Meier: Just as we keep going through this and I know I've got other chances to talk today again, but with the way records are kept, can you find a current record for us to at least show how many DHS clients are currently in jail and how many are missing from the system right now? Can that record be given to us so that we can find that number out in the process while we're talking about record keeping and numbers? Because I think that's a very big issue that we have to address is where are these people and why are they missing? So, when we're working on records, whether they're computer, where they're written, where are they and why are they there?

Rose: Secretary, do you respond or. It was really more of a rhetorical question, but ...

Quintero: Yeah, I would need to check with our teams. I don't want to give you just like an answer just to answer you, Representative. So, I will check with our various administrative leaders and see what we have in place and look back with your office. Thank you.

Meier: Please get back to everybody on this committee on that.

Quintero: Okay, thank you.

Rose: On that note, in consultation with Chairman Rita, unless the committee wants to overrule us and go ahead and vote on accept this today, I think we were going to hold the acceptance of these two audits to the next meeting to give you all time to respond to us to make sure we actually get responses. Balkema with a late question. Senator, you're not on. Your mics not on.

Balkema: Sorry. The, just a process question. I'm learning. So, the, there was a dispute obviously on the audit from the Audit Commission and they said that doesn't happen very often. So, I guess my coaching or guidance would be as well is if they didn't accept the audit findings and had a dispute, it seems like our Commission would follow suit and not accept them either. Just a process check, if that's possible. I would be in the same boat to say, hey if the audit team, you know, had the dispute, I think we would as well, if that can work that way.

Rose: We'll take that offline, but I don't think we have a vote either way, Senator Balkema, today. So, we'll be able to get you some information on the process itself.

Balkema: Okay, thank you.

Rose: Thanks. So, with that, we're going to move on. My gist is, but I'll consult with Chair Rita before the next, Co-Chair Rita before the next meeting, that if you produce the information, we might be willing to waive your attendance at the next meeting. But if we don't have the information, I think we'll be having a whole different conversation at the next meeting. Okay. And the next meeting is October 14, 2025. We still have several other two other audits related to this agency, so we're going to go ahead and move into those now if that's okay with everybody. Okay.

So, we will move into the oversight and monitoring of the Community Integrated Living Arrangement Program Performance Examination. As everyone is changing desks, Secretary, I'd ask that you bring whichever staff you wish to be here for that up to the table. Same with you, General. I would remind everyone that we are simulcasting this via Blue Room Stream and on Zoom so the public can attend. We would ask, obviously, that we be courteous to our speakers. If you, as you begin to speak, please identify yourself and who you're with. So, for the record, and please don't talk over each other. That becomes very difficult for transcription purposes. So, with that, Auditor General, I would give you the floor on the oversight and monitoring of the Community Integrated Living Arrangement Program Performance Examination.

Mautino: Thank you, Mr. Chairman, and welcome to the table Joe Butcher, who is the director of our Professional Performance Division, and Mike Maziars, who was the Senior Auditor and has actually conducted this audit along with the 2018 audit, which was ordered by, at that time, Representative Meier as well. And so, this follows up on some of the issues which were brought about at that point. It was adopted on March 14th. And at this time, I'd like to ask Mr. Butcher to go ahead and give us a short presentation on the slideshow to show where we're at, the time being, and then we'll be happy to take any questions after the responses.

Butcher: Thank you, Auditor General. LAC Resolution Number 164 directed the Auditor General to conduct a performance audit of the Department of Human Services Oversight and Monitoring of the Community Integrated Living Arrangement, or CILA program. CILA's are living arrangements certified by a community mental health or developmental service agency where eight or fewer recipients with mental illness or recipients with developmental disability reside under the supervision of the agency. DHS, through its Bureau of Accreditation, Licensing, and Certification, is responsible for the licensing of CILA providers. Other DHS areas joined BALC in monitoring and oversight of the CILA program. There were 235 CILA providers specializing in care for individuals with developmental disabilities in operation as of July 13,

2023. For the period FY21 to FY23, the state expended more than \$2.2 billion on CILA's.

So, looking at CILA's licensing process:

- in accordance with CILA rule, DHS conducts licensing surveys of CILA programs.
- During the COVID 19 pandemic, DHS implemented a temporary self-assessment process for licensing. However, DHS failed to ensure that all CILA providers follow protocols relative to self-assessments.
- 36% of our sample population had no self-assessment during the period beginning July 2020 through May 2021.
- The average number of days between bulk surveys for those CILA providers without self-assessments was 889 days.

DHS serves a notice of violation when deficiencies are noted during a survey. We noted several issues with the use of notice of violation forms:

- DHS failed to report violations identified in self-assessments and bulk reviews on a notice of violation form. In the case of one self-assessment, DHS did not issue a notice of violation despite a provider self-reporting 9 violations.
- 16 out of 47 notices of violations in our sample had violations noted during full and focused surveys that were not included on the notice of violation.
- Violations from self-assessments and surveys were not always entered into DHS's Notice of Violation database.

CILA providers are required to report suspected instances of abuse or neglect against individuals to the DHS Office of Inspector General (OIG)

However, DHS failed to ensure that bulk surveyors reviewed whether timeliness of CILA providers reporting of OIG incidents complied with reporting requirements.

- We found 34 instances at five providers where evidence showed noncompliant reporting. Yet, the scoring by the surveyors did not parallel the late reporting.

DHS allowed a CILA provider to remain serving residents on a continued license even though its original license had expired for nearly 900 days.

Turning now to monitoring of the CILA program, a DHS CILA monitoring unit has operated for five fiscal years under a draft policy and procedures manual. Additionally, a DHS licensing unit had a policy and procedures manual that had conflicting requirements relating to survey requirements.

DHS failed to enforce admissions restrictions on CILA providers that were on probation based on unacceptable licensing survey scores. The failure led to five individuals

from our sample being admitted to providers that failed to achieve minimally acceptable scores from BALK officials.

DHS also failed to assign division monitors to oversee corrective actions by CILA providers with the worst licenses survey scores. This failure is a violation of administrative rule.

DHS failed to sanction a CILA provider that repeatedly refused to cooperate with OIG investigations of allegations against the provider. Our examination of OIG Investigative reports found 22 instances where the provider violated state law or rule by not cooperating with OIG investigations.

DHS failed to consistently apply CILA rules to all providers that failed to correct noted deficiencies. While some providers had CILA licenses revoked, others were allowed to continue in the program despite not correcting deficiencies.

Looking now at emergency call notifications:

- Public Act 10175 required facilities licensed under the CILA act to notify DHS when emergency calls are made from the facility. The Public act also required DHS to adopt rules to implement the new requirement.
- DHS failed to follow state statute and develop administrative rules for emergency notifications made from CILA locations.
- While DHS did eventually revise the CILA rule, that revision failed to contain a definition of emergency call or any penalties for non-compliance.
- DHS developed the Critical Incident Reporting Analysis System (CIRAS) to capture electronic reports from providers and Independent Service Coordinators (ISC's) for critical incidents involving individuals with developmental disabilities.
- However, DHS failed to hold CILA providers that were not compliant with CIRAS reporting requirements accountable.
- Over the period FY20 to FY23, 41% of CIRAS incidents reports were not made within the required two working day requirement. Failure force to the reporting requirement resulted in one CILA provider taking 563 days on average to report FY20 incidents.

The audit report contained 15 recommendations direct to DHS, including:

- The DHS should ensure that BALC consistently applies licensing protocols such as self-assessments even during times of unprecedented events such as COVID 19 to all CILA providers.
- DHS should ensure bulk surveys are conducted in a thorough, accurate, and timely manner.
- DHS should ensure all violations noted during a bulk licensing survey are included in the Notice of Violation (NOV) and the Notice of Violation database.

- DHS should finalize, formalize, and approve the Bureau of Quality Management Policy and Procedure Manual so that monitoring of CILA providers is consistent.
- DHS should develop a reporting mechanism where instances of noncooperation by CILA providers are reported to the Division of Developmental Disabilities. Additionally, when providers violate state law and administrative rule by failing to cooperate with the OIG, DHS should implement impose appropriate sanctions on the provider as allowed for in the Department of Human Services Act. (20 ILCS 1305/1-17(p)(iv))
- DHS should develop criteria for CILA providers relative to circumstances of license revocation. Additionally, DHS should consistently apply those criteria to all CILA providers.
- DHS should comply with the CILA Act and develop administrative rules for emergency notifications that clearly define what an emergency call is and the penalties to providers for failure to comply.
- And finally, DHS should develop sanctions for CILA providers that are non-compliant with serious reporting requirements. If DHS believes it already has appropriate sanctions available, it should enforce those sanctions.

That concludes our presentation.

Rose: Thank you, Secretary.

Quintero: Thank you. I have asked Matt Cooch here who is Developmental Disabilities Chief of Staff. I will now provide updates on the Fiscal Year '24 CILA Audit. Before I share with you the status on the CILA audit findings, I wanted to provide some high-level information about the CILA services in Illinois. CILA stands for Community Integrated Living Arrangements. At IDHS, we fund CILA's for nearly 11,000 individuals within intellectual disabilities living in more than 3,100 homes across the state. These services are provided by over 200 community-based organizations. In the fiscal year 25 the cost of housing and care was over 1.1 billion and I'm on slide 11 just in case.

The Fiscal Year '24 performance audit of CILAS resulted in 15 recommendations. The areas of concern were are CILA licensing, monitoring and emergency call notifications. Of the 15 findings, seven have been resolved, eight have been partially resolved. IDH has proposed 34 corrective action plan activities to address the findings, 26 have been completed and eight are in process which is 76% of CAP's are fully implemented. The Bureau of Accreditation, Licensing and Certification, known as BALC, is responsible for licensing CILA providers as well as monitoring and oversight. BALC, while administratively independent, has been moved within IDHS Division of Developmental Disabilities. The goal of the change is better alignment of health, life and safety requirements with quality services and support.

Slide 12 we have made significant progress towards the Corrective Action Plan activities to address the concerns raised in the CILA Audit. We have updated our policy procedures in BALC and the Bureau of Quality Management, or BQM to ensure the policy reflects what is and should occur. BALC Compliance Unit is reviewing all survey documentation to assure consistency and has established their processes for tracking, renewals, continuations and a priority list for future surveys. Specifically for the Critical Incident Reporting Analysis System we have updated the manual, strengthened definitions and clarified processes. We have shared these updates with progress providers and ICs and we're regularly tracking and reviewing reporting.

We take OIG complaints very seriously and we work closely with the OIG on the process for timely and appropriate response to complaints OIG, BALC and BQM meet bi weekly to coordinate. There is a process now for addressing the provider responsiveness to OIG and training on Rule 50. Finally, we are reviewing internally a draft, the comprehensive sanctions policy process and appeal process to be completed by the end of the calendar year. And now I will pause again for us to take some questions on the CILA Audit. Thank you.

Rose: Thank you, Represent Meier.

Meier: I can't refer to names. I can talk about cases. And the cases I talk about today have all happened since this audit was completed and these things are supposedly being taken care of. But to go back a little bit on history and understand a little bit, I want you to remember in the closure process under a past governor that this agency people advertised on Craigslist that you could take a resident home from an SODC and take care of them to supplement your family income. So that's never left my mind in the whole time that I have been a State Rep. We have to have more respect for these people.

You know, this is an audit I called for. This audit shows that our people and our CILA's are being left behind. I've helped people from across the State of Illinois because they track me down. They know that I can get help for their family members. Usually happens on a Friday afternoon for some reason. Families told that if they want to get care for their loved one, who DHS has been trying to find a placement for the last two years, they have to give up custody of that child guardianship by five o' clock that Friday night to get them services. That is totally unacceptable in the State of Illinois, as far as I'm concerned as a Legislator. I have done this repeatedly. I have been on the phone with the social workers in hospitals, keeping residents there so that we can get them services. We have residents that were placed in CILA's, and I don't hate CILA's. We have wonderful CILA's in the State of Illinois that give kind, caring, compassionate help. But they need to know the residents they're getting. It doesn't seem like DHS's records always let those CILA's know exactly the extreme needs of some of these residents are. And then they're sitting with a resident that they don't have the means to take care of.

So, when I asked earlier about how many are in jail, that's where these residents end up at, because they're not a one-on-one end of CILA when they're supposed to be. Some end up in jail for months, some in solitary confinement for months. That's not right. That's not right on their families. That's not right for them. Something has to change. And yet in this process, this flawed process, when we finally maybe get them out of there after 12 days, they change their mental status from that of an 8-year-old to a 17-year-old without having a sit-down meeting with them. That's a problem. These people deserve better. We need to see what the problems were, where they started and what we can do to give them their best life. No family wishes that their child's entire life will be spent in an SODC. They want them to have the most open and free life they can, but a lot of times they're put in a CILA where they're not monitored. They're told they have to give up guardianship to get services when DHS is already determined. Two years, two years looking for a place for them.

And everybody in this room probably knows that. I follow residents and they wonder why or how. We're not allowed to know where the SILAs are in the state of Illinois, but they're pretty easy to find. If you can get a hold of the 911 calls and you find someplace that there's, you know, 10 to 20, 911 calls in a month, you've probably found a CILA in the state of Illinois working with one right now. 95 calls since the end of December for one resident. Another one where they've known that one of their residents is walking down the highway seven miles to go to a different town with a pipe. They follow them sometimes, not all the time. That's unacceptable. That can't be. Let's get the services, let's help to them, let's find what's going on. Let's not do the shuffle where we move them from one CILA to another like has happened in the past several years ago when one was moved down from Peoria into Evanston, which I begged for a year and a half, to have more restrictions put against at CILA so they'd be taken care of. That ended up in a rape case and in a sexual assault case because for a year and a half Rep Meier asked for something to be done in that CILA and it wasn't done.

This week. While I was visiting with a CILA provider, a very good one. They were doing their surveys. DHS was doing their job; they were doing it right. They were checking to make sure the guardianship papers were all right. Why can't we do that for every CILA? Why do the CILAs that seem to have the worst records not get as many inspections, don't have to make as many checks' marks. Why is it that you want a glowing report and you pick which ones that get the best results for you and you turn your back on the ones that we beg for you beg to do something so these residents don't have to live rest of their life knowing they were raped. One of the non-verbal ones so we don't know what she's really thinking. What about the resident that was the one that did it? You know his lives totally changed too. Where he can go.

You know, you're standing here taking a major amount of the state taxpayers' dollars and it's like they're playing a board game of Monopoly. Moving these people around instead of getting them the services they need and go past, go again and see where we go this time. These are people, they have families, they have families that love them. I will say

this phone, I call, I text, I get responses. They're getting a little better. This last one went really quickly. But you shouldn't have to go to court eight times when you got a judge's order saying you can take your child to an SODC to do it, you shouldn't have to. When that judge's order states that it should be the SODC closest to their family and they take him there and they are now told no. It's 2 o' clock on a Friday, you now have to take him up by Waukegan even though there's going to be a court hearing on that following Monday again. DHS is challenged, you know, whether he really qualified for these services. That should not be court order said closest to home. Tried moving him up there. If I wouldn't have been there that would have happened. They would have traveled four hours one way to go see their child every time they wanted to see him. Now they get to go down and see him whenever they want really easily.

I shouldn't get a response back from DHS. Thank you for your response, we're working on it. Or we knew where he was the whole time. If they knew where he was the whole time that he's running along an interstate fence possibly to jump it and get hit by a semi, shouldn't they do something about it before he's there? Shouldn't they do something about it before they're walking down a highway with a pipe to go over to a different CILA to take care of the workers there. Not let this happen. Our police departments are on the hook for this. Our county jails are taking care of these residents for months not getting paid. Our hospitals across the State of Illinois have their workers bringing in clothes for somebody there. They're not charging for. DHS has left them there. I don't know how anybody can think that an audit like this doesn't demand instant change. I go through, I keep working, we get statements to go into SODC you have to have, somebody has to have guardianship.

We get another statement from DHS saying no, you don't have to have a guardianship to have somebody in an SODC. Just to clarify that we can't get that done. We've watched what has happened at Choate. I stood up to fight to keep Choate open but I stood up to fight to punish anybody who had anybody that has been abused there. Those workers need to be fired and they need to be in jail. And it doesn't matter if they're a DHS worker in Osilla or in an SODC. They need to be punished for taking advantage of these people. But in DHS we have people from Choate that have other positions too and the abuse down there has documented it's been a long time. I don't know how people can change records in 12 days' time and give somebody an extra nine years of mentality. We have to go through and as an audit commission we have to be here to make sure that this does not continue to happen. We can't let people be moved when they know they're going to be moved and not have their medical records, not have their CPAPs, not have their clothes go with them. That is totally unacceptable. We beg that the movement from Shoat would be carefully done, be done with respect. Well, what's the respect when your CPAPs not moved with you? I know I can't sleep without mine. What's the respect when your medical records can't go with you?

So, when the other medical people in our facilities know what they're dealing with. You know we hear a lot in the past audit about dental care. I lost an extended family member because he was a CILA resident and he couldn't get the dental care he needed.

Ended up with an infection in his jaw which ended up slowly. Now this has been quite a few years ago but slowly had to have the jawbone taken out and finally killed him because the infection was non stoppable. The Murray parents have paid to update their facility there in their dental clinic. Why is it that we can't take advantage of that as DHS to provide dental care for all DHS residents and let them go to Murray, where we have the facility. Instead of making them wait six to nine months for dental care. We have the facility; we have the employees. What's wrong with taking facilities like that and making them a regional center to help all people with DHS so we can cut these instances down so it doesn't happen again. If you're the parent of a child with dental problems, with a toothache, and you're waiting six to nine months, you need sedated dentistry because they have special needs. That's uncalled for. We can take care of that. We can work together.

The only thing I have always said is, let's fix this. And sometimes I'm made to feel like the bad guy because I go out there and I work for our people. I listen to them. I don't know how people get a hold of my number, but I've made it out there very easily. And at the end of the day, when you know you've saved a life, I can lay down and I can sleep, but when I'm on the phone and I don't want to lie to somebody and I'm telling him I will do everything in my power to get him to have a bed in an SODC, but I can't guarantee it, even with a court order. And then I have to get on the phone to call the state police while they're calling the local police because he's running along a damn interstate fence where you say you knew where he was. That's just not right. These families deserve a lot better. And I've said enough today. We know what the problems are here. Let's work together. Let's fix them. Let's not do any petty things about who won. We want the winners to be these families with special needs. They should be the winners here today. Thank you.

Rose: Thank you, Representative Meier. And we ...