

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: On the review. Representative Elik.

Elik: Thank you, Rep Meier. Within this performance audit there was mentioned multiple times that you had providers that were doing self-assessments or maybe self-reporting of violations. And yet the department didn't find follow up on those in some cases and they didn't receive a notice of violation. Tell me why that happened.

Cooch: Sure. Thank you. Meg Cooch, CFO. This was during the period where we made an adjustment, it was the COVID period where people were not allowed to go into homes to keep folks safe. So the self-assessment was what was decided in terms of trying to continue to fulfill the requirements of the licensure. I can speak to what we've done to try to address it going forward. And if there were another crisis or emergency public health crisis, we our compliance unit through a CAP in the survey responding to this audit, did a sample of reviewing all of the surveys that came in that happen now, the bulk surveys and review all documentation that ended at the end of May. And from out of that, now that compliance unit is reviewing all be BALC surveys that come in and all the documentation related to them to ensure consistency. Like you were saying, Rep Meier. And so going forward, if there was a self-assessment, we could ensure that in fact that continuity would continue that that compliance unit would review all documentations and self-assessments. That compliance unit was not structured in doing that at the time of the self-assessments during COVID. So now going forward we'll be able to address that.

Elik: So when the procedure was instituted during COVID that you would now be doing your self-assessments, was there no thought to what will we do if someone self-assesses and turns in that they have had some sort of an incident?

Cooch: BALC provided efforts and we can definitely get you some more background about that because I was with BALC at the time, but BALC reviewed the

documentation sent in. Clearly there were some gaps related to that.

Elik: Did anyone, any employees ever face punishment over lack of due care in their jobs over this?

Cooch: I would have to look into that.

Elik: Is it because they were working at home? Was there any way to follow up on people doing their jobs during this time?

Cooch: We'd be happy to pursue that question looking back, but there were supervisors and folks were trying to do their best during the time period trying to receive these services and adjust I think to the situation at the time. And the self-assessment was the kind of effort laid out in order to try to address this. And BALC reviewers would be reviewing those assessments.

Elik: So since that time have you found that someone did not turn in incidents that they should have turned in during that time. You know, some, some case that was discovered later. I think there was something mentioned in here with very late reporting or maybe late follow up. Let's see.

Cooch: Oh, is it CIRA's? Is it emergency reporting?

Elik: I believe so.

Cooch: Okay. CIRA's is our critical incident system that's under the Bureau of Quality Management and that was created to track things like 911 calls and other areas there. There is a CIRA's unit that also similarly kind of oversees that unit and that implementation. And looking through this audit we have come up with steps. We updated our CIRA's manual. We have shared that with our case management entities, our independent service coordination agencies as well as our service providers sending out notifications so they can better understand and ensure that they can follow the procedures. They also now on a monthly basis we pull any provider and documentation that looks like it's not meeting those requirements that were laid out in terms of frequency and work to address those.

We do have a, we're in process of final draft reviewing a sanctions, a comprehensive sanctions document. In a couple years ago we updated attachment A which all providers get annually. And it outlined our scope of our ability to sanction them beyond what's in rule. And so included in that is our efforts to clearly develop a process and what the scope of sanctions would be in non-compliance for things like CIRA's, things like not reporting on time, not being compliant with the OIG and the like. And we're we that the sanction document process procedure and an appeal process for providers. It's been written and it's being kind of vetted

internally and then we hope to share it with the DHS partners that we work with who also are impacted and report to us if there are non-compliant agents.

Elik: So when will that be instituted for those providers?

Cooch: We have done some sanctions for reasons even without the document, but obviously it's important to have the paper and we anticipate that completion by the end of Q2 of this year. So end of the calendar year, hopefully before then. But we want to make sure we're trying to get all. We thought about doing information bulletins on each administrative hold or CIRA's. And we wanted really a comprehensive document so that providers are really clear, individuals and families are really clear about the process and what the impact of not complying with our rules and regulations will be.

Elik: So how are you going to communicate that to providers?

Cooch: So we anticipate releasing the manual process and appeal process obviously but an information bulletin and through that process it requires feedback with providers. I would anticipate we would also have a webinar and an opportunity for back and forth and communication. We also have email that we communicate with all our providers through. So through email, through training and through the documentation and then receiving feedback. We hope that everyone will understand as we kind of roll out that comprehensive strategy.

Elik: Are you certain that your list of providers is complete and accurate when you are communicating with them?

Cooch: Yes. So one of the things we added into attachment A this year was the default that when you became a licensed provider, you have to be on our weekly email list. That was not the case prior. And so we strongly encouraged but could not force people to receive our notifications. And now we can.

Elik: Okay.

Rose: Representative Elik, I believe the General's office wanted to respond to one of the questions you made.

Elik: Thank you.

Mautino: Thank you, Chairman. Yes, I wanted to also just ask a couple things of Auditor Maziarz, who conducted the original audit prior to COVID on here in 2018. And although this is more extensive into the licensing process of BALC than the original, can you go ahead and show the repeat and some of the changes through that structure what you've found?

Maziarz: Sure. Going back to something that Representative Meier said a few minutes ago about how we need to fix this right away, I did manage the audit back that came or that came out in 2018. It had a lot more than 15 findings in it. Things were bad. The day of the audit Commission hearing, everybody was told, we're going to fix this. Two years later, I went back there to follow up on those audit findings like we do with every performance audit. Very few things were addressed. There were a lot of problems still. Two years after that, the contract auditors doing the DHS Audit also went back in and again found lots of the same problems. And then Representative Meier gets this Resolution for this audit.

You're right in that the population that really can't do for themselves as well need people to do for them. And it's since 2018, we've got problems and things haven't been fixed. Representative Elik, going back to your self-assessment, I understand, and we told DHS this during the audit. We understand COVID created a whole new set of problems. They're the ones that developed the new self-assessment. We're fine with that as auditors. But on page nine of the audit, we also note that that document, the temporary self-assessment process and new site inspection process says, "BALC surveyors may utilize on site visits as determined to be needed." Okay. So it wasn't necessarily that they had to stay away for everything.

Now you got to combine with your, with your question, you got to combine this stuff with the other findings where inspections had duplicates with the same mistakes from one to another. You have and I got a fault in that I put a lot of facts into these things whenever I write this. But besides the duplicate information in there, you know, not doing the things that the BALC surveyor is not doing the work that they're supposed to do, it would seem almost more important when you're not going on site that you actually do the work. And we found, as you can see in a number of the early findings that just wasn't the case. And that kind of stuff needs to be cleaned up. Self-assessment stuff is maybe it was necessary in this case, but boy, everybody ought to do their work because people can suffer. Thanks.

Elik: Well said. Thank you very much.

Rose: Representative Elik, please proceed.

Elik: Thank you. I guess I would maybe close with. We've heard multiple instances here where this has been going on for far too long and we all understand people are suffering, families are suffering. So ultimately, Director, the buck stops with you. How do we know we're not going to see you back in two years on this with even worse cases here? I mean, you know, I think you've been here two years, almost two years. Is that correct? What do you have to say to that?

Quintero: No, thank you for that. And I also appreciate, appreciate Rep Meier, everything that you've shared. We've been in very close communication and you know, as Meg

kind of walk through everything that we're putting in place. You know, one of the big shifts that we did immediately as we moved over this area to be able to have also different types of oversight and more training and you know, there's parts of compliance, but it's really also the checks and balances. So, what I can say to you is that this is also not only important to me, but also the department and putting everything in place to be able to review and support.

So, another piece that I know we haven't really talked about here, probably get to it later, is we've also had a new office in the Secretary's area. So I have an Assistant Secretary for Operations is a Safety Officer. So with that we also have quality and risk mitigation. So, all of that is new infrastructure within IDHS because if not we are going to continue to react to day by day and just resolving one issue at a time versus really looking at it across the department. Everything that is being reported to really be able to identify what is a training, what's a policy, what's an infrastructure, what is, you know, part of the reporting to identify what is causing some of the challenges here. And as you know, you mentioned around some of the self-assessment and I appreciate what was shared around, if there's a self-assessment and having an infrastructure in place that now we have, we'll be able to have visibility to mitigate a risk.

I can't say it's going to be 100%, but what I can say is that we have developed and we're continuing to develop an infrastructure to ensure that we can get to it quicker to be able to mitigate it. So that's what I can say. But also like the open communication, I will say that there's times that Rep. Meier has reached out directly. You know, Chief of Staff also Tiffany Blair, and we hear, and I know Tonya is also in the room it's our Division Director for Developmental Disabilities, we're all committed to doing better, to improvement. I recognize that there is a work in progress, but what I can say is that I know my entire team here is committed to making improvements.

Elik: Thank you. That's all I have.

Rose: Senator Ellman.

Ellman: Hi. Thank you. I want. Oh, excuse me. My question was going to be about the oversight process and the steaming lack of really any kind of controls regarding the oversight process during this audit period. But in light of what the auditor just said in that these were identified in 2018, they were identified in 2020. You were creating this new COVID related process, and yet there were such enormous gaps in following up, even logging violations, much less following up on them. And the response that I've heard so far just, it sounds like you're just rearranging the deck chairs. I don't see how you're making any kind of material improvements. And you know, I would love to not see repeat findings, but I am not very confident that this will not be that this won't happen again. And I've talked to a lot of family members of residents of CILAs. They have waited a long time to get their loved one in these facilities. And they're putting their trust in you and your oversight function as they're, you know, the person that they love is

living semi independently. This is just. I don't really know. I don't expect an answer. I don't think you'll be able to answer. I'm just going to be looking for the next, the next period, the next audit. Thanks.

Quintero: Thank you.

Rita: (Representative Rita in the Chair) All right. Thank you. Senator Wilcox. You had your hand up.

Wilcox: I do, this line of questioning may not necessarily fit everything on the performance audit. But of the 235 CILA's, do we know how many of them are profitable? How many are breaking even? How many are losing money?

Cooch: Thanks for the question. We do not know. Well, I can't tell you today. We can get you some more information in terms of trying to break this down, but CILA's are both nonprofits and so there are some for profit CILA's. So in terms of profit, I think it partly depends as it relates to that. I would say in terms of funding, we implemented a new rate methodology, rolled it out last year, last July, the previous July, sorry, 2024. And that was as a result of a thing called the Guide House Rate Study. And they looked at what needed to what components needed to be included and how did we get raise the what we were reimbursing for to match the cost of the services. And so that was implemented a year and a little bit ago. And with that it also refocused and rebalanced to really focus on the assessed need of the person. So it increased the rate that people get for folks if they need more supports based on their needs assessments. And so, with that we are very comfortable that we are reimbursing providers for the supports, the 24 hour supports that an individual, a specific individual might need.

Wilcox: I'll certainly leave the comments to Senator Rose on how this state fails to comply with the Guide House Studies. But in the new payment structure are their abilities to suspend payments to these CILA's if they are not in compliance. However, looking at the performance audit, most of it appears to be on the Agency and not the providers. But what withholding of funding options do you have for any of the providers who fail to report, failed to do self-assessments, fail to get back in line with recommendations?

Cooch: Good question. We have a number of tools in our tool belt that we use now. I will say hopefully with this comprehensive sanctions it will be very clear to all what will impact how a provider will be impacted if they are non-compliant. But our tools specifically are admissions holds. So not letting folks, additional folks into either a specific CILA or a provider payment holds. So holding a payment if you have not submitted your audits over a period of years, you get a payment hold until and your payments will be released when you submit those. We also have loss of payment so you might be docked something if you're found non-compliant. And then finally the most extreme is license revocation and that's really articulated primarily in our Rule 115.

Wilcox: So and I think if you saw my hand go up and down and up and down. I really didn't want to make this comment, but any withholder payment, suspended payment to the providers certainly affect the individuals that are getting care, you know, off the cuff. If the power were in my hands, the agency budget would be cut and suspended until these findings are fixed. I know that doesn't help either. So I guess I need to ask the question, what liability is being put on the State for the Agency's failure to get these findings resolved, if, when, and we know we have had dire outcomes for individuals receiving support. How much liability, unknown amounts, is on the state because of these continued findings and failure to run the program as required?

Schomberg: Senator, I don't. I think that's what is the unknown. No, like, I think it's hard for us to answer that question. Certainly. Yeah. Not aware of pending litigation related to issues, but like that, you know, it is in those sorts of settings, either administrative appeals or in litigation, where we would find questions of liability. But and we're happy to get back to you if we're aware of any specifics. But not aware of any specifics in either of those areas right now.

Wilcox: Okay. But I presume the public aspect of these performance audits and compliance audits would be a treasure trove for anyone whose family member is, is wronged and decides to go after a CILA provider or the agency for this length of failure. So, certainly a major concern that I think we need to keep in the back of our heads that if we don't get these resolved, we are putting the state and the taxpayers potentially on the hook for undue amounts of liability. Thank you.

Rita: (Stepping in for Co-Chair Rose) Thank you. Senator Balkama.

Balkema: Yes. If I'm looking at the audit correctly, the last touch point or status update was April 21, correct?

Cooch: Correct.

Balkema: And so a lot of the findings had completion dates as of June 30th, 2025. So do we have the results on all of those findings that were scheduled to be done on June 30th?

Cooch: We have not submitted a formal additional update since April. We have completed a number of them. As Secretary mentioned, of the 34 CAPS areas we have completed, all but 8, and 8 are still in process.

Balkema: And so do we have dates for the remaining eight?

Cooch: We're happy to provide those.

Balkema: Yeah, but what. Help me understand why we wouldn't walk into it. So if we walk into today, we had our touch point, April 21st. We walked into today having June 30th as the date, and now it's August 22nd. How would we not have dates?

Cooch: I don't believe we were required. We were supposed to submit an updated form. Like I said, I'm happy to provide. As I said, with the five of the eight are sanction related and we anticipate needing till the end of December or through the end of Q2 to be able to provide that. The others I would expect to be done in the next month or two. I would say one is related to rulemaking, so that will be partially determined by that.

Balkema: So, I'm new in the audit in the Commission, in the last few months. So obviously a lot more members have a lot more experience than me. The passion seems to be there, but the facts and the data linger unanswered. So why wouldn't we just set up a monthly touch point with every owner of every finding and have the date and every month you get an update on where the action's at. Why does it not happen that way? Or could it happen that way? Let me make it positive. Could you set it up so that every finding gets reviewed every month with every owner and an answer is submitted back to the team?

Rose: (Senator Rose in the Chair) So, Senator Balkema, that was a point that Represent Meier had made in a slightly different fashion, both offline and that was the point the auditor's office had made. I think part of our conversation around not approving these audits today is maybe to come back with something along, something in the vein of what you're talking about is what are the timelines, what are the responsibilities? Right. But I think that's a conversation for the commission members that we need to have before the next meeting. And, and it's part of why we would not be approving audits today. I don't want to put words in Representative Meier's mouth, but is that fair, Charlie? He's shaking his head yes. So, okay.

Balkema: So that's great. But. But what about the agency? Y' all own it. You know what's. I understand and respect what, what Senator Rose is saying here and Representative Meier's request, but from an agent. If I were running the agency, there's a tremendous sense of accountability and passion in this. Why can't you just come back and say, hey, every month we're going to either hit the date or we're going to come back and tell you why we didn't. And here's the new date and not wait for the next audit? Why can't it become proactive versus reactive from the agency's perspective?

Schomberg: So, Senator, I would say that it is proactive. Our internal audit team works closely with our staff in monitoring corrective action plans and also works closely with the Legislative Audit Commission staff in terms of providing updates. So we do have an ongoing process of monitoring where we are at. And when we say that it's partial, we literally say what percentage partial. So we do have processes in place to continue to make progress on all of our corrective action plans.

Balkema: But it's past June 30th and you don't have updates.

Schomberg: Happy to loop back on that. I know part of what has been requested and that we will work on is what is your corrective action plans and who are the people and what are the dates. And we will loop back on that. I don't ...

Balkema: Okay.

Schomberg: Offhand in terms of whether all of those dates end in June or not, but like we will definitely loop back and provide those dates and if they need to be updated, any updated dates and status updates.

Balkema: Okay. Because did you, did the agency create the June 30th estimated completion date or did the audit commission?

Schomberg: It's the agency that puts together and proposes the corrective action plan with the.

Balkema: All right, so you all put the dates out there and you all said June 30th, right. So now it's August 22nd. So going forward, let's not do it again. A date is a date. There's 13 million people in Illinois that expect every organization to be run with accountability. If you all dream up the date, why not hit it or at least come back and say I'm sorry we didn't hit it because of A, B and C. Here's the new date and here's the corrective action. Can we just get into that proactive process so that we get out of the myriad of repeat, rinse and repeat. I guess if you got that commitment and then per leader Rose's perspective and Representative Meier, you're going to work the details, but let's just get out of the rhetoric and just get into fact, data, accountability, no questions asked. Just make it happen.

Quintero: Thank you.

Rose: Okay, thank you very much. Rose in the Chair. I'm going to take a liberty for a second just to put some numbers around some of the things here. And this is the concern. You know, DHS is had one provider that was working on an expired license for almost 900 days. Then you got of the Critical Incident Reporting Analysis System reports, we had 41% that were not timely made. 41%. And then you get another situation here, 10,617 individual cases that required a 10 day follow up that were not conducted by the independent service coordinator. So to Rep. Meier's point and not to belabor anything, this has got to get fixed. And I think that. I think we're all interested in working with the agency to figure out some high level process to get this figured out. I mean, what the auditor said a minute ago about just year after year after year, this is our most vulnerable group of people.

Actually, it's not because for some bizarre reason, DHS does not have

oversight of our medically complex DD folks, because that's over in a different agency. Which, by the way, is exactly how they got skipped on vaccinations during COVID because DHS kept telling the governor we vaccinated everybody. Well, you did, except the MCDDS, because it wasn't in your jurisdiction and nobody bothered to call them CDDs and they got the last day of the program. So. I think we need to have some intense conversations about this after today, because I don't think anyone is satisfied with coming back here time and again and hearing the same report. And I think we all want it fixed. I'm going to turn it over to Representative Rita. Unless, do we have any other questions on this particular one? Frank, do you have anything on your side? Okay, we're going to recess briefly for 10 minutes and allow everybody to use the bathroom, make a phone call, etcetera. And then we'll come back and conclude with the fourth. Thank you.