

# Audit Report

## RGV Kidz Place

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A Prescribed Pediatric Extended Care  
Center in Edinburg, Texas

March 14, 2024

OIG Report No. AUD-24-006



**Inspector  
General**

Texas Health  
and Human Services



## RGV Kidz Place

A Prescribed Pediatric Extended Care Center  
in Edinburg, Texas

### Results in Brief

#### Why OIG Conducted This Audit

The Texas Health and Human Services (HHS) Office of Inspector General Audit and Inspections Division (OIG Audit) conducted an audit of RGV Kidz Place in response to a Texas Health and Human Services Commission (HHSC) Regulatory Services request to review prescribed pediatric extended care centers (PPECCs), a Texas Medicaid provider type established on November 1, 2016.

RGV Kidz Place is one of 10 licensed PPECCs in Texas as of January 31, 2024. During the audit scope, which covered the period from September 1, 2021, through December 31, 2022, RGV Kidz Place served 37 patients; employed 29 individuals, including nurses, nursing assistants, and administrative staff; and received \$1.15 million in Texas Medicaid reimbursements for 1,259 managed care claims.

#### Summary of Review

The audit objective was to determine whether RGV Kidz Place provided services in accordance with selected rules, statutes, and requirements.

The audit scope covered Texas Medicaid services provided during the period from September 1, 2021, through December 31, 2022, including related personnel and medical records. A scheduled site visit to assess facility conditions and related life and safety documentation was conducted in November 2023.

#### Conclusion

RGV Kidz Place in Edinburg, Texas, is a prescribed pediatric extended care center (PPECC). RGV Kidz Place developed patient plans of care that included several required elements; completed staff member licensing checks; trained certified nursing assistants; and verified all staff members with driving duties had a valid driver's license.

However, RGV Kidz Place did not consistently comply with some requirements for staffing ratios; therapy services coordination; employment checks; covering electrical outlets; fire safety testing and inspections; and patient transportation services. Additionally, RGV Kidz Place submitted claims in error for 13 separate PPECC services. As a result, RGV Kidz Place was overpaid and should repay \$617.25 to the state of Texas.

#### Key Results

RGV Kidz Place did not meet minimum staffing ratio requirements for 24 of 28 service dates tested. On each of these 24 service dates, RGV Kidz Place had one to two fewer staff members on duty than staffing ratios required. RGV Kidz Place also did not (a) coordinate with therapy providers to help 18 patients receive therapy services at the PPECC during the audit scope nor (b) include required elements when documenting therapy services patients were to receive in the PPECC setting.

RGV Kidz Place did not always perform required employment checks of the (a) Employee Misconduct Registry, (b) Nurse Aide Registry, (c) federal exclusions database, and (d) Texas Exclusions Database. RGV Kidz Place did not perform required criminal history checks for staff members at rehire. Additionally, RGV Kidz Place submitted claims in error for 13 separate PPECC services, totaling \$617.25.

During the scheduled site visit in November 2023, OIG Audit observed RGV Kidz Place did not (a) cover 10 electrical outlets; (b) schedule fire alarm testing semiannually; and (c) obtain a local fire marshal's inspection. For patient transportation services, RGV Kidz Place did not document the names of staff members who performed morning patient transportation services on any of the 28 service dates tested. On 7 of the 28 service dates, RGV Kidz Place also did not maintain records for the afternoon patient transportation services nor protect these records from destruction.

## Background

PPECCs provide a nonresidential, facility-based care alternative to private duty nursing services for children and adolescents with complex medical conditions who are enrolled in Texas Medicaid. Specifically, PPECC services may be available for Texas Medicaid patients who:

- Are 20 years of age and younger, eligible for the Texas Health Steps Comprehensive Care Program, and medically or technologically dependent.
- Have an acute or chronic condition requiring ongoing skilled nursing.
- Meet the medical necessity criteria for admission to a PPECC.
- Consent to receive PPECC services or have the consent of the patient's responsible adult.

PPECC services may be provided up to 12 hours per day and may include skilled nursing, personal care services while attending the PPECC, functional developmental services, psychosocial services, nutritional counseling, training for the patient's responsible adult, therapy coordination, and transportation to and from the PPECC.

## Management Response

RGV Kidz Place agreed with the audit recommendations and indicated corrective actions would be implemented by March 30, 2024.

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On one patient transportation service trip, RGV Kidz Place provided one fewer direct care staff member than was required. Additionally, on 19 patient transportation service trips, RGV Kidz Place did not document the reasons patients were aboard transportation for longer than one hour.

## Recommendations

RGV Kidz Place should:

- Update its staffing and scheduling procedures to meet staffing ratio requirements for PPECC facilities.
- Improve its coordination with therapy providers to verify each patient receives the therapy services to be provided in the PPECC setting as prescribed on the patient's plan of care.
- For services to be provided in a PPECC setting, implement procedures to update (a) current plans of care for each patient to reflect type, amount, duration, and frequency of occupational, physical, and speech therapy services and (b) changes to patient needs for therapy services.
- Perform, document, and maintain (a) checks of both the Employee Misconduct Registry and the Nurse Aide Registry before hire and annually for all staff members, (b) federal and state Medicaid exclusions checks monthly for all staff members, and (c) all required checks for rehired staff members.
- Implement (a) a secondary review process to verify it provided services before claims are submitted and (b) procedures to maintain service documentation. If the associated documentation does not support services were provided, RGV Kidz Place should make corrections prior to submitting the claim.
- Consistently replace childproof covers on all electrical outlets when not in use.
- Schedule fire alarm system testing semiannually.
- Obtain a local fire marshal's office inspection annually.
- Maintain complete transportation records for patient transportation service trips.
- Implement procedures to protect transportation records from destruction.
- Update its staffing and scheduling procedures to meet staffing ratio requirements for patient transportation services.
- Document the reasons for the extended time in transport for each patient aboard a transportation vehicle for longer than one hour.

Additionally, RGV Kidz Place was overpaid and should repay \$617.25 to the state of Texas.

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# Audit Overview

## Overall Conclusion

RGV Kidz Place in Edinburg, Texas, is a prescribed pediatric extended care center (PPECC). RGV Kidz Place developed patient plans of care that included several required elements; completed staff member licensing checks; trained certified nursing assistants;<sup>1</sup> and verified all staff members with driving duties had a valid driver's license.

However, RGV Kidz Place did not consistently comply with some requirements for staffing ratios; therapy services coordination; employment checks; covering electrical outlets; fire safety testing and inspections; and patient transportation services.

Additionally, RGV Kidz Place submitted claims in error for 13 separate PPECC services. As a result, RGV Kidz Place was overpaid and should repay \$617.25 to the state of Texas.

## Key Audit Results

For each of the 18 sampled Texas Medicaid patients RGV Kidz Place served during the audit scope, RGV Kidz Place developed a plan of care that included information about authorized transportation and contained all required signatures. Additionally, RGV Kidz Place verified licenses for nursing staff; trained certified nursing assistants who provided services to patients during the audit scope; and verified staff members with driving duties had a valid driver's license.

However, RGV Kidz Place did not always meet required staffing ratios; coordinate with therapy providers; perform required employment checks; correctly submit claims; follow requirements for electrical outlets; comply with fire safety testing

### Objective

The audit objective was to determine whether RGV Kidz Place provided services in accordance with selected rules, statutes, and requirements.

### Scope

The audit scope covered Texas Medicaid services provided during the period from September 1, 2021, through December 31, 2022, including related personnel and medical records. A scheduled site visit to assess facility conditions and related life and safety documentation was conducted in November 2023.

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<sup>1</sup> Certified nursing assistants provide patient care under the supervision of a registered nurse.

and inspections requirements; and document and staff patient transportation services as required.

RGV Kidz Place did not meet minimum staffing ratio requirements for 24 of 28 service dates tested. On each of these 24 service dates, RGV Kidz Place had one to two fewer staff members on duty than staffing ratios required. RGV Kidz Place also did not (a) coordinate with therapy providers to help 18 patients receive therapy services at the PPECC during the audit scope nor (b) include required elements when documenting therapy services patients were to receive in the PPECC setting.

RGV Kidz Place did not always perform required employment checks of the (a) Employee Misconduct Registry, (b) Nurse Aide Registry, (c) federal exclusions database, and (d) Texas Exclusions Database. RGV Kidz Place did not perform required criminal history checks for staff members at rehire.

#### **What Prompted This Audit**

OIG initiated this audit in response to a Texas Health and Human Services Commission (HHSC) Regulatory Services request to review PPECCs, a Texas Medicaid provider type established on November 1, 2016.<sup>2</sup>

Additionally, RGV Kidz Place submitted claims in error for 13 separate PPECC services, totaling \$617.25.

During the scheduled site visit in November 2023, OIG Audit observed RGV Kidz Place did not (a) cover 10 electrical outlets; (b) schedule fire alarm testing semiannually; and (c) obtain a local fire marshal's inspection.

For patient transportation services, RGV Kidz Place did not document the names of staff members who performed morning patient transportation services on any of the 28 service dates tested. On 7 of the 28 service dates, RGV Kidz Place also did not maintain records for the afternoon patient transportation services. On one patient transportation service trip, RGV Kidz Place provided one fewer direct care staff member than was required. Additionally, on 19 patient transportation service trips, RGV Kidz Place did not document the reasons patients were aboard transportation for longer than one hour.

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<sup>2</sup> 1 Tex. Admin. Code § 363.201 (Nov. 1, 2016).

The “Detailed Audit Results” section of this report presents additional information about the audit results and is considered written education in accordance with Texas Administrative Code.<sup>3</sup> In addition, other audit issues identified in this report may be subject to liquidated damages or OIG administrative enforcement measures,<sup>4</sup> including administrative penalties.<sup>5</sup>

The Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) offered recommendations to RGV Kidz Place, which, if implemented, will help improve compliance with applicable requirements. OIG Audit communicated other, less significant issues to RGV Kidz Place in a separate written communication.

OIG Audit presented preliminary audit results, issues, and recommendations to RGV Kidz Place in a draft report dated February 23, 2024. RGV Kidz Place agreed with the audit recommendations and indicated corrective actions would be implemented by March 30, 2024. RGV Kidz Place’s management responses are included in the report following each recommendation.

OIG Audit recognizes the unique challenges RGV Kidz Place faced as a result of the COVID-19 public health emergency, which was present during the audit scope period. OIG Audit thanks management and staff at RGV Kidz Place for their cooperation and assistance during this audit.

## Key Program Data

RGV Kidz Place in Edinburg, Texas, is one of 10 licensed PPECCs in Texas.<sup>6</sup> During the audit scope, which covered the period from September 1, 2021, through December 31, 2022, RGV Kidz Place served 37 patients;<sup>7</sup> employed 29 individuals,

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<sup>3</sup> 1 Tex. Admin. Code § 371.1701 (May 1, 2016).

<sup>4</sup> 1 Tex. Admin. Code § 371.1603 (May 20, 2020).

<sup>5</sup> Tex. Hum. Res. Code § 32.039 (Apr. 2, 2015).

<sup>6</sup> As of January 31, 2024, there were 10 licensed PPECCs in Texas, which operated in Brownsville, Dallas, Edinburg, Forest Hill, Grand Prairie, Houston, Longview, Lubbock, and Tyler, Texas.

<sup>7</sup> Texas Medicaid paid for services RGV Kidz Place provided to 33 of the 37 patients through the STAR and STAR Kids programs. The four remaining patients were not enrolled in a Texas Medicaid program.

including nurses, nursing assistants, and administrative staff; and received \$1,152,940 in Texas Medicaid reimbursements for 1,259 managed care claims.<sup>8,9</sup>

PPECCs provide a nonresidential, facility-based care alternative to private duty nursing services for children and adolescents with complex medical conditions who are enrolled in Texas Medicaid. Specifically, PPECC services may be available for Texas Medicaid patients who:

- Are 20 years of age and younger, eligible for the Texas Health Steps Comprehensive Care Program (CCP), and medically or technologically dependent.
- Have an acute or chronic condition requiring ongoing skilled nursing.
- Meet the medical necessity criteria for admission to a PPECC.
- Consent to receive PPECC services or have the consent of the patient's responsible adult.

PPECC services may be provided up to 12 hours per day and may include skilled nursing, personal care services while attending the PPECC, functional developmental services, psychosocial services, nutritional counseling, training for the patient's responsible adult, therapy coordination, and transportation to and from the PPECC.

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<sup>8</sup> As of October 13, 2023, RGV Kidz Place submitted claims for Texas Medicaid services provided between September 1, 2021, and December 31, 2022, to three managed care organizations: Driscoll Children's Health Plan (Driscoll); Superior HealthPlan, Inc. (Superior); and UnitedHealthcare Community Plan of Texas, L.L.C. and UnitedHealthcare Insurance Company, Inc. (UnitedHealthcare).

<sup>9</sup> UnitedHealthcare Community Plan of Texas, L.L.C. is the UnitedHealthcare affiliate managed care organization responsible for compliance with the Uniform Managed Care Contract for the Texas Medicaid STAR program. UnitedHealthcare Insurance Company, Inc. is the UnitedHealthcare affiliate managed care organization responsible for compliance with the STAR Kids Managed Care Contract. For the purposes of this report, UnitedHealthcare Community Plan of Texas, L.L.C. and UnitedHealthcare Insurance Company, Inc. are referenced together with the combined abbreviation, "UnitedHealthcare."



## **Auditing Standards**

### **Generally Accepted Government Auditing Standards**

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

# Detailed Audit Results

OIG Audit performed testing, which included a scheduled site visit, to determine RGV Kidz Place's compliance with selected rules, statutes, and requirements. Specifically, OIG Audit tested:

- Staffing ratios
- Patient and transportation services
- Staff eligibility
- Training for certified nursing assistants
- Licensing for staff members with driving duties
- Life and safety requirements

For all 18 sampled Texas Medicaid patients, RGV Kidz Place developed a plan of care that included information about authorized transportation and contained all required signatures. Additionally, RGV Kidz Place verified licenses for nursing staff members working at the PPECC during the audit scope. RGV Kidz Place also (a) trained each of the certified nursing assistants who provided services to patients during the audit scope and (b) verified staff members with driving duties had a valid driver's license.

At the time of OIG Audit's scheduled site visit, RGV Kidz Place complied with some tested life and safety requirements for PPECCs. Specifically, RGV Kidz Place:

- Equipped the facility with a (a) first aid kit with unexpired supplies and (b) an automated external defibrillator not within reach of patients.
- Stored medications in a locked cabinet.
- Placed liquid soap, disposable paper towels, and trash containers at each sink.
- Maintained a current Texas safety inspection and registration sticker for each sampled patient transportation vehicle.

- Had a first aid kit with unexpired supplies, including oxygen and suction equipment, in each sampled patient transportation vehicle.
- Conducted and documented fire drills for each sampled month.<sup>10</sup>

However, RGV Kidz Place did not consistently comply with some requirements for staffing ratios; therapy services coordination; employment checks; covering electrical outlets; fire safety testing and inspections; and patient transportation services.

Additionally, RGV Kidz Place submitted claims in error for 13 separate PPECC services. As a result, RGV Kidz Place was overpaid and should repay \$617.25 to the state of Texas.

The following sections of this report provide additional detail about the findings of noncompliance identified by OIG Audit.

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<sup>10</sup> To assess ongoing fire safety compliance, OIG Audit selected fire drill reports from (a) July 2022 and October 2022 during the audit scope and (b) January 2023 and September 2023 during the period between the end of the audit scope and the scheduled site visit in November 2023.

## Chapter 1: RGV Kidz Place Did Not Always Meet Required Staffing Ratios

RGV Kidz Place did not meet minimum staffing ratio requirements for 24 of 28 (85.7 percent) service dates tested. Specifically, for 24 service dates, RGV Kidz Place did not meet staffing ratio requirements for registered nurses. As a result, on these 24 service dates, RGV Kidz Place had one to two fewer registered nurses on duty than staffing ratios required. On two of these service dates, RGV Kidz Place did not meet total staffing ratios while nursing staff served patients on afternoon transportation—ranging from one to two staff members fewer than required.

PPECCs must maintain and document compliance with minimum staffing ratios for nursing services based on the number of patients in attendance and receiving nursing services.<sup>11</sup> Table 1 outlines the staffing ratio requirements relevant to this audit.<sup>12</sup> For example, on a day with four patients in attendance and receiving nursing services, RGV Kidz Place was required to have at least two staff members on duty, one of which must have been a registered nurse.

**Table 1: Daily Staffing Ratio Requirements for Total Staff Members and Registered Nurses at RGV Kidz Place**

Patients in Attendance and Receiving Nursing Services	Total Staff Members on Duty	Registered Nurses on Duty
1 to 3	1	1
4 to 6	2	1
7 to 9	3	1
10 to 12	4	1
13 to 15	5	2
16 to 18	6	2
19 to 21	7	2

Source: OIG Audit, based on 26 Tex. Admin. Code § 550.410 (May 1, 2019)

<sup>11</sup> 26 Tex. Admin. Code § 550.410 (May 1, 2019).

<sup>12</sup> OIG Audit did not consider requirements for attendance higher than 21 patients because RGV Kidz Place did not have more than 21 patients in attendance and receiving nursing services on any of the 28 service dates tested as part of this audit.

Based on staff time sheets and service logs provided by RGV Kidz Place, OIG Audit determined required staffing ratios were not met because (a) staff members temporarily left the PPECC when transporting patients to and from RGV Kidz Place, (b) registered nurses clocked out prior to all patients leaving, and (c) RGV Kidz Place did not schedule sufficient registered nurses to work for the entire day. While RGV Kidz Place did schedule sufficient total staff for all 28 service dates tested, it did not schedule sufficient registered nurses to meet staffing ratios on 17 of 28 service dates tested.

Additionally, RGV Kidz Place asserted it did not meet required staffing ratios because (a) the director of nurses, who also served as facility administrator, could provide patient care when needed; (b) scheduled staff members were unexpectedly absent due to illness; and (c) it experienced challenges hiring qualified staff.<sup>13</sup>

When PPECCs do not meet required staffing ratios, it may impact the level of care provided to patients and patient safety.

During the audit scope, Texas Administrative Code did not allow the director of nurses to count towards RGV Kidz Place's staffing ratio while functioning as administrator.<sup>14</sup> However, due to a rule change effective March 20, 2023, RGV Kidz Place was permitted to count the director of nurses towards its staffing ratio when (a) the director of nurses was serving as the PPECC's administrator and (b) four or more patients were in attendance and receiving nursing services.<sup>15</sup> If this rule had been in effect during the audit scope, RGV Kidz Place would have met staffing ratio requirements on 7 of the 24 service dates identified as noncompliant with staffing ratios.

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<sup>13</sup> During the audit scope, per 26 Tex. Admin. Code § 355.9080 (Jan. 1, 2016), the PPECC reimbursement rate could not be more than 70 percent of the average hourly private duty nursing rate. This requirement was removed effective September 10, 2023.

<sup>14</sup> 26 Tex. Admin. Code § 550.309(c)(4–5) (May 1, 2019).

<sup>15</sup> 26 Tex. Admin. Code § 550.309(c)(4) (Mar. 20, 2023).

## Recommendation 1

RGV Kidz Place should update its staffing and scheduling procedures to meet staffing ratio requirements for PPECC facilities.

### Management Response

#### Action Plan

- (a) RGV Kidz Place has hired additional Registered Nurses (RNs), licensed vocational nurses (LVNs), and direct care staff (CNAs) to ensure staff availability for necessary scheduling procedures in order to meet staffing ratio requirements.
- (b) RGV Kidz Place will maintain scheduling and attendance documentation to support staffing requirements are met. A digital copy of employee schedules will be retained as proof staffing requirements are met. RGV Kidz Place will also ensure that the Daily Attendance sheet(s) is maintained and signed by management weekly and both a hard copy and a digital copy will be retained as proof that state requirements are met.

#### Responsible Managers

- (a) The Administrator is responsible for ensuring staff ratios and scheduling procedures are met according to state requirements.
- (b) The Administrator and timekeeper(s) (staff designee) are responsible for maintaining schedule documentation.

#### Target Implementation Dates

- (a) Implementation began January 1, 2024, and will continue as needed in order to remain compliant with state requirements.
- (b) Implementation will begin immediately, March 4, 2024.

## **Chapter 2: RGV Kidz Place Did Not Coordinate with Therapy Providers nor Document Services on the Plan of Care**

RGV Kidz Place did not coordinate with therapy providers for 18 patients tested during the audit scope. Specifically, RGV Kidz Place did not coordinate with therapy providers to help each eligible patient receive occupational, physical, and speech therapy services as included on the patient’s plan of care.

PPECCs must provide a choice of occupational, physical, and speech therapy providers for each patient whose plan of care requires the patient receive services while attending the PPECC. While licensed therapists enrolled in Texas Medicaid independently bill for therapy services provided, PPECCs must coordinate care with these therapy providers for any therapy services that must be provided to a patient in the PPECC setting, per the patient’s plan of care. While PPECCs are responsible for coordinating with licensed therapists and serving as a location for coordinated therapy services to be delivered, PPECCs are not responsible for providing therapy services.<sup>16</sup>

In addition, while RGV Kidz Place did include several required plan of care elements, for all Texas Medicaid patients’ plans of care tested, it did not include some required elements—such as therapy type, amount, duration, or frequency—when documenting therapy services patients were to receive in the PPECC setting. PPECCs are required to complete each patient’s plan of care in a manner accurately reflecting all services to be provided in the PPECC setting, including the type, amount, duration, and frequency of therapy services.<sup>17</sup>

RGV Kidz Place asserted it did not coordinate with therapy providers because (a) it was not aware of therapy coordination requirements in the Texas Medicaid Provider Procedures Manual and (b) therapists might not update RGV Kidz Place about changes to therapy services needed to update each patient’s plan of care.

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<sup>16</sup> Texas Medicaid Provider Procedures Manual, Vol. 2, “Children’s Services Handbook,” §§ 2.14.1 (Sept. 2021 through Jan. 2022) and 2.15.1 (Feb. 2022, as amended).

<sup>17</sup> Texas Medicaid Provider Procedures Manual, Vol. 2, “Children’s Services Handbook,” §§ 2.14.1.1.1 (Sept. 2021 through Jan. 2022) and 2.15.1.1.1 (Feb. 2022, as amended).

Without detailed information in each patient’s plan of care regarding needed therapy services, RGV Kidz Place cannot coordinate with therapists to help patients receive therapy services in the PPECC setting. As a result, patients may not receive prescribed therapy services in the PPECC setting.

## **Recommendation 2a**

RGV Kidz Place should improve its coordination with therapy providers to verify each patient receives the therapy services to be provided in the PPECC setting as prescribed on the patient’s plan of care.

### **Management Response**

#### **Action Plan**

RGV Kidz Place has notified all therapy providers that provide services at RGV Kidz Place that they must provide RGV Kidz Place with each patient’s therapy schedule and notify RGV Kidz Place immediately with any changes to the schedule. All PPECC staff have been instructed to document the patient’s therapy schedule in their chart and a Therapy Coordination Addendum form has been included in each chart to document coordination with each patient’s therapy provider(s). A therapy coordination binder has also been implemented and will be reviewed weekly to ensure therapies have been provided as scheduled.

#### **Responsible Manager**

The Administrator is responsible for coordination of services with therapy providers.

#### **Target Implementation Date**

Implementation will begin immediately, March 4, 2024.

## **Recommendation 2b**

For services to be provided in a PPECC setting, RGV Kidz Place should implement procedures to update (a) current plans of care for each patient to reflect type, amount, duration, and frequency of occupational, physical, and speech therapy services and (b) changes to patient needs for therapy services.



## **Management Response**

### **Action Plan**

- (a) A Therapy Coordination Addendum form has been included in each chart which includes the type, amount, duration, and frequency of each therapy provided to the patient at the PPECC.
- (b) Any changes to patient needs for therapy services will also be documented on the Therapy Coordination Addendum form and incorporated in the patient's chart.

### **Responsible Manager**

The Administrator is responsible for ensuring each patient's plan of care and subsequent documentation are completed in accordance with state requirements.

### **Target Implementation Date**

Implementation will begin immediately, March 4, 2024.

## Chapter 3: **RGV Kidz Place Did Not Perform Some Required Employment Checks**

While RGV Kidz Place performed all required licensing checks for registered nurses and licensed vocational nurses at hire, it did not perform some required employment checks for all staff members. Specifically:

- Employee Misconduct Registry and Nurse Aide Registry checks.
- Federal and Texas Medicaid exclusions checks.
- Criminal history checks for rehired staff members.

When PPECCs do not perform employment checks as required, patient and staff safety could be affected.<sup>18</sup>

### **Employee Misconduct Registry and Nurse Aide Registry Checks**

For the Employee Misconduct Registry and the Nurse Aide Registry, RGV Kidz Place did not either perform checks or maintain support for checks before hire or rehire for 24 of 29 (82.8 percent) staff members.<sup>19</sup> Additionally, RGV Kidz Place did not perform required annual checks of the Employee Misconduct Registry and the Nurse Aide Registry for all 12 individuals employed at RGV Kidz Place for more than one year at the time of the audit scope.

To determine if an applicant or staff member is eligible to work at the PPECC, RGV Kidz Place must search both the Employee Misconduct Registry and the Nurse Aide Registry before hiring each individual. Subsequently, RGV Kidz Place must search both the Employee Misconduct Registry and the Nurse Aide Registry

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<sup>18</sup> OIG Audit verified that, as of October and December 2023, RGV Kidz Place did not employ any individuals (a) listed as unemployable on the Employee Misconduct Registry or the Nurse Aide Registry or (b) excluded from participating as Medicaid service providers by the United States Department of Health and Human Services Office of Inspector General or the Texas HHS OIG. In October 2023, OIG Audit verified this status for 27 staff members, and in December 2023, OIG Audit verified this status for 2 additional staff members.

<sup>19</sup> To accommodate for same-day hire situations, OIG Audit considered checks performed on the date of hire to meet requirements.

at least once every 12 months to determine whether each staff member is listed as unemployable in either registry.<sup>20</sup>

RGV Kidz Place asserted it did not perform checks of the Employee Misconduct Registry and the Nurse Aide Registry before hire or annually for (a) licensed staff members and (b) staff members who did not work directly with patients. Additionally, RGV Kidz Place asserted, for two certified nursing assistants, it (a) could not locate checks performed before hire for one staff member and (b) relied on previous checks performed for the second staff member, who was rehired.

For the certified nursing assistants it employed, RGV Kidz Place asserted it performed checks of the Employee Misconduct Registry and the Nurse Aide Registry on each individual's nursing certificate renewal date instead of performing annual checks; however, these renewal dates occurred at intervals of more than 12 months.

## Medicaid Exclusions Checks

RGV Kidz Place did not either perform or maintain support for all required federal and state Medicaid exclusions checks.<sup>21,22</sup> Specifically:

- Within one month of hire or rehire of 13 of 29 (44.8 percent) staff members, RGV Kidz Place did not check the United States Department of Health and Human Services Office of Inspector General exclusions database. Additionally, RGV Kidz Place did not perform this federal exclusions check monthly for 5 of 12 (41.7 percent) month and staff member combinations tested.
- For all 29 individuals employed at the PPECC during the audit scope, RGV Kidz Place did not check the Texas Exclusions Database within one month of hire nor monthly thereafter.

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<sup>20</sup> 26 Tex. Admin. Code § 550.418(c) (May 1, 2019).

<sup>21</sup> Exclusions involve the suspension of a provider or any person from being authorized under the Medicaid program to request reimbursement of items or services furnished by that specific provider.

<sup>22</sup> Texas Medicaid Provider Procedure Manual, Vol. 1, § 1.3.1 (Sept. 2021, as amended).

RGV Kidz Place asserted it (a) did perform federal exclusions checks but could not locate supporting files and (b) did not perform state exclusions checks because it was not aware Texas Exclusions Database checks were separate from the federal exclusion checks.

The United States Department of Health and Human Services Office of Inspector General and the Texas HHS OIG exclude certain individuals and entities from participation in all federal or state health care programs. To determine whether any staff members are excluded, Texas Medicaid providers must perform monthly checks of both federal and state exclusions lists. If a PPECC does not perform these checks as required, an excluded entity or individual could receive payment from federal or state health care programs.

### **Criminal History Checks**

Although RGV Kidz Place performed criminal history checks upon hire for all 29 individuals employed at the PPECC during the audit scope, it did not perform criminal history checks upon rehire for two staff members who left employment with RGV Kidz Place and were later rehired. PPECCs must conduct criminal history checks upon hire.<sup>23</sup>

RGV Kidz Place asserted, because these two individuals were rehired within a year of their initial hire date, it relied on the criminal history check it conducted at the time of each individual's initial hire.

### **Recommendation 3**

RGV Kidz Place should perform, document, and maintain (a) checks of both the Employee Misconduct Registry and the Nurse Aide Registry before hire and annually for all staff members, (b) federal and state Medicaid exclusions checks monthly for all staff members, and (c) all required checks for rehired staff members.

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<sup>23</sup> 26 Tex. Admin. Code § 550.418(b) (May 1, 2019).

## Management Response

### Action Plan

- (a) RGV Kidz Place will ensure initial employee checks will be completed prior to hire and annual employee checks will be completed through each required registry.
- (b) RGV Kidz Place will ensure federal and state Medicaid exclusion checks will be completed monthly for all staff members and a hard copy will be retained of all checks as proof that state requirements are met.
- (c) RGV Kidz Place will ensure that all above checks will also be completed prior to any rehire of staff and a hard copy will be retained as proof that state requirements are met.

### Responsible Manager

The Administrator is responsible for ensuring that all required employee checks are completed in accordance with state requirements.

### Target Implementation Date

Implementation will begin immediately, March 4, 2024.

## Chapter 4: RGV Kidz Place Submitted Claims in Error

RGV Kidz Place submitted 13 claims in error for (a) 12 claims for transportation services it did not provide or could not support and (b) one claim for services at the PPECC for which it incorrectly billed the per diem rate<sup>24</sup> instead of the hourly rate. As a result, RGV Kidz Place received a total overpayment of \$617.25.

RGV Kidz Place asserted it did not conduct a secondary review as part of its process for preparing and submitting claims. One staff member was responsible for preparing and submitting claims.

Table 2 provides additional details about the 13 claims RGV Kidz Place submitted to one managed care organization—Superior HealthPlan, Inc.—for services not provided, not supported, or incorrectly billed.

**Table 2: RGV Kidz Place’s Claims Submitted in Error**

Type of PPECC Service	Number of Claims	Overpayment Amount
Transportation services	12	\$417.36
Services at the PPECC	1	199.89 <sup>25</sup>
<b>Total</b>		<b>\$617.25</b>

Source: OIG Audit

### Transportation Services Claims

RGV Kidz Place submitted 12 transportation services claims in error. Specifically, RGV Kidz Place submitted claims for:

- One transportation service it did not provide, totaling \$37.94. RGV Kidz Place asserted it submitted this claim by mistake.<sup>26</sup>

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<sup>24</sup> The per diem rate represents a daily rate for services at the PPECC.

<sup>25</sup> The overpayment represents the difference between the per diem rate and the hourly rate.

<sup>26</sup> OIG Audit identified this claim from a sample of 30 patient and service date combinations.

- 11 transportation services it could not support with service documentation, totaling \$379.42. RGV Kidz asserted it was unable to locate support for these claims.<sup>27</sup>

For each service a patient receives in a PPECC setting, including transportation services, the PPECC must update the patient’s medical record to document the:

- Name of the individual providing the service.
- Date of service.
- Type of service.
- Start time and end time the service was provided.<sup>28</sup>

### **Claim for Services at the PPECC**

RGV Kidz Place submitted one claim under the per diem rate when it should have billed the hourly rate, which is required for services lasting fewer than 4 hours and 15 minutes.<sup>29,30</sup> For this claim, RGV Kidz Place’s service documentation for the claim indicated it provided services for 3 hours and 5 minutes; therefore, RGV Kidz Place should have used the hourly rate when billing for this claim. As a result of RGV Kidz Place submitting this claim under the per diem rate by mistake, it received an overpayment totaling \$199.89.

### **Recommendation 4**

RGV Kidz Place should implement (a) a secondary review process to verify it provided services before claims are submitted and (b) procedures to maintain service documentation. If the associated documentation does not support

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<sup>27</sup> OIG Audit identified these claims by reviewing all Texas Medicaid patients who received transportation services from a sample of 28 service dates.

<sup>28</sup> Texas Medicaid Provider Procedures Manual, Vol. 2, “Children’s Services Handbook,” §§ 2.14.1.1.7 (Sept. 2021 through Jan. 2022) and 2.15.1.1.7 (Feb. 2022, as amended).

<sup>29</sup> Texas Medicaid Provider Procedures Manual, Vol. 2, “Children’s Services Handbook,” §§ 2.14.1.1.9 (Sept. 2021 through Jan. 2022) and 2.15.1.1.9 (Feb. 2022, as amended).

<sup>30</sup> OIG Audit identified this claim by reviewing the time spent receiving PPECC services for all Texas Medicaid patients from a sample of 28 service dates.

services were provided, RGV Kidz Place should make corrections prior to submitting the claim.

## **Management Response**

### **Action Plan**

- (a) RGV Kidz Place timekeeper(s) will review daily attendance logs and mileage logs weekly to ensure services were provided. Prior to billing, the logs will be reviewed by staff member(s) submitting the claims as well to ensure services were provided prior to submitting the claim.
- (b) RGV Kidz Place will retain a digital and hard copy as proof of documentation to support services billed.

### **Responsible Managers**

The Administrator and timekeeper(s) (staff designee) are responsible for ensuring that reviews of documentation are completed and proof to support services billed is retained.

### **Target Implementation Date**

Implementation will begin immediately, March 4, 2024.



## Chapter 5: RGV Kidz Place Did Not Comply with Some Life and Safety Requirements

At the time of OIG Audit's scheduled site visit, RGV Kidz Place did not comply with some life and safety requirements for PPECCs. Specifically, RGV Kidz Place did not:

- Cover 10 electrical outlets located in five rooms that were accessible to patients.<sup>31</sup>
- Schedule semiannual fire alarm testing.<sup>32</sup>
- Obtain a local fire marshal's office inspection annually.<sup>33</sup>

RGV Kidz Place asserted (a) staff members recently used the uncovered electrical outlets to power patients' ventilators, to power patients' oxygen machines, and to charge tablets; (b) it used a builder's checklist to determine how often to test the fire alarm system and scheduled for annual fire alarm testing; and (c) it was not aware of the requirement to obtain a local fire marshal's office inspection.

When PPECCs do not comply with applicable life and safety code requirements, patient and staff safety could be affected.

### Recommendation 5a

RGV Kidz Place should consistently replace childproof covers on all electrical outlets when not in use.

#### Management Response

##### Action Plan

RGV Kidz Place will install self-closing outlet covers on all outlets that are within a patient's reach.

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<sup>31</sup> 26 Tex. Admin. Code § 550.205(p)(1) (May 1, 2019).

<sup>32</sup> 26 Tex. Admin. Code § 550.1204(b) (May 1, 2019).

<sup>33</sup> 26 Tex. Admin. Code § 550.205(a) (May 1, 2019).

### **Responsible Manager**

The Administrator will ensure that all outlets are covered adequately to ensure compliance with state regulations.

### **Target Implementation Date**

Implementation date will be by March 30, 2024.

## **Recommendation 5b**

RGV Kidz Place should schedule fire alarm system testing semiannually.

### **Management Response**

#### **Action Plan**

RGV Kidz Place has scheduled fire alarm system testing semiannually with a fire alarm system monitoring company.

#### **Responsible Manager**

The Administrator is responsible for ensuring fire alarm system testing is completed as required by state regulations.

#### **Target Implementation Date**

Implementation will begin immediately, March 4, 2024.

## **Recommendation 5c**

RGV Kidz Place should obtain a local fire marshal's office inspection annually.

### **Management Response**

#### **Action Plan**

RGV Kidz Place has incorporated annual fire marshal inspection to our annual life and safety checks and will retain a hard copy of inspection report as proof of compliance.

### **Responsible Manager**

The Administrator will ensure that a local fire marshal inspection is conducted annually.

### **Target Implementation Date**

Implementation will begin immediately, March 4, 2024.

## **Chapter 6: RGV Kidz Place Did Not Follow Some Requirements for Transporting Patients**

RGV Kidz Place did not follow some requirements for documenting transportation services, adequately staffing vehicles used to transport patients, or documenting reasons for transports exceeding one hour.

### **Patient Transportation Documentation**

RGV Kidz Place did not maintain all required support for patient transportation services. Specifically, for 28 service dates tested, RGV Kidz Place did not:

- Document names of drivers who performed morning patient transportation services.
- Maintain records for seven afternoon patient transportation service trips, which indicate the driver's name and name of the individual to whom the patient was released.

For each patient transportation service trip, PPECCs must maintain a daily attendance record that includes the date, driver's name, names of all passengers in the vehicle, name of the individual to whom each transported patient was released, and time of each patient release.<sup>34</sup>

RGV Kidz Place (a) did not include an entry space on its morning transportation attendance records to identify the driver on each patient transportation service trip and (b) asserted its missing afternoon transportation records were destroyed by patients during transportation service trips. Because it did not have complete records for these morning and afternoon trips, (a) OIG Audit could not determine the driver for each of these patient transportation service trips and (b) RGV Kidz Place could not support whether each patient was released to an approved individual during afternoon trips.

### **Transportation Staffing**

RGV Kidz Place did not provide all vehicles with the required number of qualified staff during patient transportation service trips. While RGV Kidz Place had the

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<sup>34</sup> 26 Tex. Admin. Code § 550.1101(f)(7) (May 1, 2019).

required number of staff on most service trips, it conducted one patient transportation service trip for eight patients on a vehicle with one direct care staff member aboard.<sup>35</sup> PPECCs must have at least one direct care staff member aboard each vehicle for every seven patients being transported.<sup>36,37</sup> RGV Kidz Place asserted this trip was understaffed by mistake.

When PPECCs do not meet required transportation staffing ratios, it may impact the level of care provided to patients and patient safety.

### **Patient Transportation Service Trips Lasting Longer Than One Hour**

For the 19 patient transportation service trips lasting longer than one hour that occurred during the audit scope,<sup>38</sup> RGV Kidz Place did not document the reasons for extended transportation. For any patient aboard transportation for longer than one hour, PPECCs must document the reason for the extended time in transport.<sup>39</sup>

RGV Kidz Place asserted, before a recent update, it did not have a process to document the reasons patients were aboard transportation for longer than one hour. OIG Audit observed RGV Kidz Place's updated mileage log, which was revised on October 1, 2022, included a location to document the reason for any patient transportation service trips lasting longer than one hour; however, RGV Kidz Place did not document a reason in any of the affected transportation records reviewed in testing.

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<sup>35</sup> RGV Kidz Place transported patients on more than 137 service trips on the 28 service dates selected for testing.

<sup>36</sup> 26 Tex. Admin. Code § 550.1102(d)(6) (May 1, 2019).

<sup>37</sup> Depending on the conditions and abilities of the minors, more than one direct care staff member for every seven patients may be required.

<sup>38</sup> During the audit scope, 15 of 30 sampled patient and service date combinations had at least one patient transportation service trip lasting longer than one hour, and 4 of these 15 patient and service date combinations had two trips lasting longer than one hour. In sum, RGV Kidz Place conducted 19 patient transportation service trips lasting longer than one hour within the 30 sampled patient and service date combinations.

<sup>39</sup> Texas Medicaid Provider Procedures Manual, Vol. 2, "Children's Services Handbook," §§ 2.14.1.1.7 (Sept. 2021 through Jan. 2022) and 2.15.1.1.7 (Feb. 2022, as amended).

When PPECCs do not document the reasons for patient transportation service trips lasting longer than one hour, patients could be spending significant time aboard a transport vehicle without reason. This could impact the quality and type of care patients receive.

### **Recommendation 6a**

RGV Kidz Place should (a) maintain complete transportation records for patient transportation service trips and (b) implement procedures to protect transportation records from destruction.

#### **Management Response**

##### **Action Plan**

- (a) RGV Kidz Place has updated transportation records to include all required elements to ensure accurate records and all staff have been instructed on correct documentation.
- (b) RGV Kidz Place will retain a digital and hard copy of transportation records as proof of compliance. Staff will secure transportation records in a closed backpack while on transport to ensure safe keeping.

##### **Responsible Managers**

- (a) The Administrator is responsible for ensuring compliance with state regulations regarding transportation records.
- (b) The Administrator and timekeeper(s) (staff designee) are responsible for ensuring protection of transportation records.

##### **Target Implementation Dates**

- (a) Implementation will begin immediately, March 4, 2024.
- (b) Implementation will begin immediately, March 4, 2024.

### **Recommendation 6b**

RGV Kidz should update its staffing and scheduling procedures to meet staffing ratio requirements for patient transportation services.

## Management Response

### Action Plan

RGV Kidz Place has instructed all staff on correct staffing ratio requirements for patient transportation services and will ensure to comply with those requirements.

### Responsible Manager

The Administrator is responsible for ensuring compliance with staffing ratio requirements.

### Target Implementation Date

Implementation will begin immediately, March 4, 2024.

## Recommendation 6c

RGV Kidz Place should document the reasons for the extended time in transport for each patient aboard a transportation vehicle for longer than one hour.

## Management Response

### Action Plan

RGV Kidz Place has updated transportation logs to include all required elements and has instructed staff on correct documentation. Staff have also been assigned to review transportation logs at least weekly to ensure all logs are accurate and complete. RGV Kidz Place will keep a digital and hard copy of all transportation logs to ensure compliance with state regulations.

### Responsible Managers

The Administrator and timekeeper(s) (staff designee) are responsible for ensuring compliance with state regulations regarding transportation documentation regarding extended time while on transport.

### Target Implementation Date

Implementation will begin immediately, March 4, 2024.

## Appendix A: Objective, Scope, and Criteria

### Objective and Scope

The audit objective was to determine whether RGV Kidz Place provided services in accordance with selected rules, statutes, and requirements.

The audit scope covered Texas Medicaid services provided during the period from September 1, 2021, through December 31, 2022, including related personnel and medical records. A scheduled site visit to assess facility conditions and related life and safety documentation was conducted in November 2023.

### Criteria

OIG Audit used the following criteria to evaluate the information provided:

- 1 Tex. Admin. Code § 363.211 (2016)
- 26 Tex. Admin. Code §§ 550.116, 550.205, 550.210, 550.211, 550.309, 550.402, 550.404, 550.409, 550.410, 550.415, 550.418, 550.501–550.511, 550.607, 550.704, 550.903, 550.1001, 550.1101, 550.1102, 550.1204, 550.1206, 550.1212, 550.1214, and 550.1305 (2019)
- Texas Medicaid Provider Procedures Manual, Vol. 1, § 1.3.1 (2021, as amended)
- Texas Medicaid Provider Procedures Manual, Vol. 2, “Children’s Services Handbook,” §§ 2.14 (2021 through 2022) and 2.15 (2022, as amended)



## Appendix B: Detailed Methodology

OIG Audit issued an engagement letter to RGV Kidz Place on October 16, 2023, providing information about the upcoming audit. OIG Audit conducted fieldwork from October 18, 2023, through January 11, 2024, including a scheduled site visit on November 6–7, 2023.<sup>40</sup>

OIG Audit also reviewed RGV Kidz Place’s system of internal controls, including components of internal control,<sup>41</sup> within the context of the audit objectives by:

- Interviewing RGV Kidz Place personnel knowledgeable about controls related to staffing, service, billing, and training.
- Reviewing relevant documentation, such as patient logs, nursing notes, patient plans of care, staff schedules, policies, procedures, and training records.
- Conducting a scheduled site visit to test selected life and safety requirements.
- Performing selected tests of the relevant documentation.

### Data Reliability

To assess reliability of paid claims data RGV Kidz Place provided by three managed care organizations,<sup>42</sup> OIG Audit (a) traced encounter data to the paid claims, (b) compared the paid claims to supporting documentation assessed for selected service dates, and (c) interviewed RGV Kidz Place personnel who were knowledgeable about the systems and data. OIG Audit determined the paid claims data was sufficiently reliable for the purpose of this audit.

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<sup>40</sup> OIG Audit tested selected life and safety requirements on site at RGV Kidz Place on November 7, 2023.

<sup>41</sup> For more information on the components of internal control, see the United States Government Accountability Office’s *Standards for Internal Control in the Federal Government*, (Sept. 2014), <https://www.gao.gov/assets/gao-14-704g.pdf> (accessed Apr. 16, 2021).

<sup>42</sup> The three managed care organizations that provided paid claims data for RGV Kidz Place were Driscoll, Superior, and UnitedHealthcare.

To assess the reliability of RGV Kidz Place's time sheet data, OIG Audit compared staff time sheets to supporting documentation for selected service dates. OIG Audit determined the time sheet data was sufficiently reliable for the purpose of this audit.

## Testing Methodology

OIG Audit collected information for this audit through a scheduled site visit, interviews, and electronic communications with RGV Kidz Place management and staff. OIG Audit reviewed:

- Supporting documentation for patient services, including evidence of:
  - Daily attendance logs
  - Nursing notes
  - Patient transportation and mileage logs
  - Patients' plans of care
- Staff schedules and time sheets for selected service dates.
- Hiring and background check documentation for all staff members who worked during the audit scope.
- Training documentation for certified nursing assistants who worked during the audit scope.
- Valid driver's licenses for staff members with driving duties during the audit scope.
- Life and safety compliance during the scheduled site visit.

## Sampling Methodology

### Service Delivery and Billing

To assess RGV Kidz Place's service documentation delivery and billing, OIG Audit selected a nonstatistical stratified sample of 30 patient and service date combinations.<sup>43</sup> This sample consisted of 18 unique patients and 28 unique service dates. OIG Audit selected the number of service dates randomly per patient based on the percentage of time during the audit scope period the patient received services. The sample items were not necessarily representative of

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<sup>43</sup> There were 4,018 patient and service date combinations in the audit scope.

the population; therefore, it would not be appropriate to project the test results to the population.

#### Plans of Care

To assess RGV Kidz Place's plan of care completion for each patient, OIG Audit selected a nonstatistical, risk-based sample of all plans of care for the 18 patients identified in the service delivery and billing sample from the 33 possible Texas Medicaid patients. The sample items were not necessarily representative of the population; therefore, it would not be appropriate to project the test results to the population.

#### Scheduling and Staffing Ratios

To assess RGV Kidz Place's scheduling and staffing ratios, OIG Audit selected a nonstatistical, risk-based sample of 28 service dates through random selection.<sup>44</sup> The selected service dates were also reflected in the service delivery and billing sample. The sample items were not necessarily representative of the population; therefore, it would not be appropriate to project the test results to the population.

#### Monthly Exclusions Checks

To assess RGV Kidz Place's efforts to consistently verify throughout the audit scope it employed eligible individuals, OIG Audit selected a nonstatistical random sample of 12 staff member and month combinations.<sup>45</sup> The sample items were not necessarily representative of the population; therefore, it would not be appropriate to project the test results to the population.

#### Life and Safety Requirements

To assess RGV Kidz Place's compliance with selected life and safety requirements, OIG Audit selected a nonstatistical, risk-based sample of two out of four vehicles. One selected vehicle was designed to transport patients who use a wheelchair and the second selected vehicle was designed to transport patients who do not use wheelchairs. To assess whether RGV Kidz Place met the requirement for monthly fire drills, OIG Audit selected a nonstatistical, risk-based sample of four monthly fire drill reports. Specifically, OIG Audit selected two monthly fire drill reports during the audit scope and two additional monthly fire drill reports

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<sup>44</sup> There were 386 service dates in the audit scope.

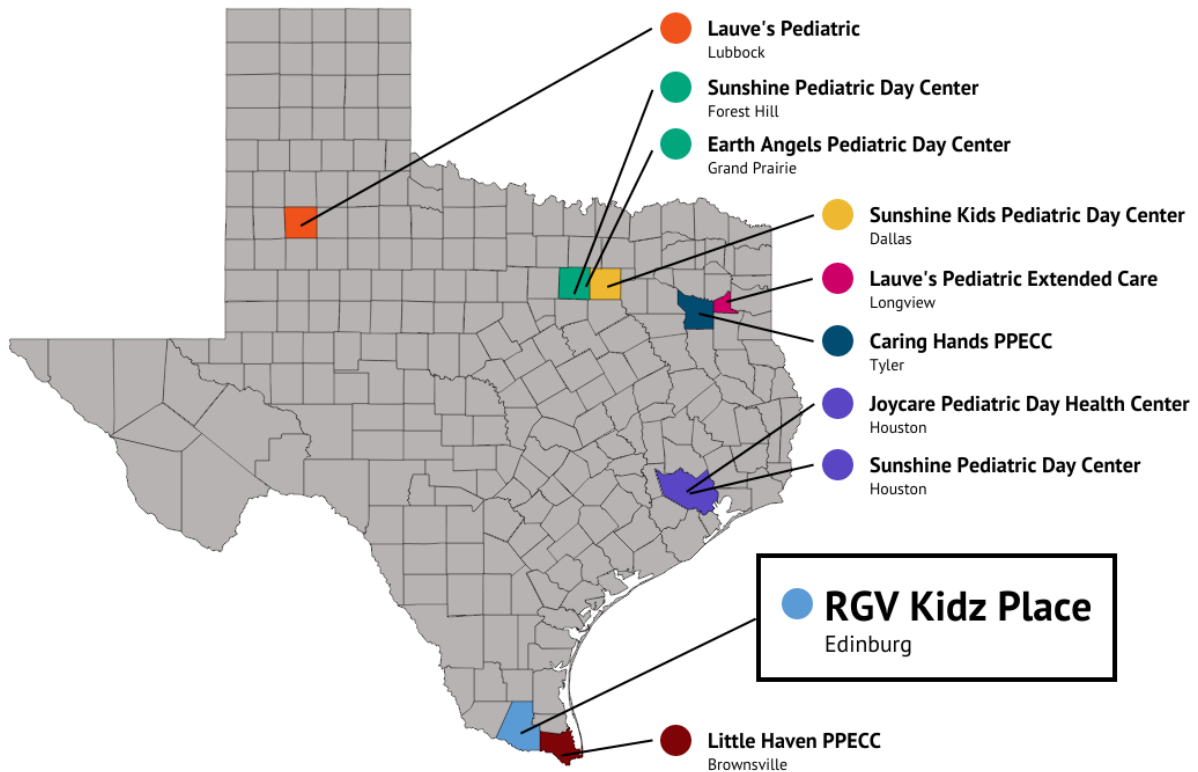
<sup>45</sup> There were 243 staff member and month combinations in the audit scope.

during calendar year 2023. The sample items were not necessarily representative of the population; therefore, it would not be appropriate to project the test results to the population.

## Appendix C: PPECCs in Texas

As of January 31, 2024, RGV Kidz Place in Edinburg, Texas, was one of 10 licensed PPECCs in Texas. The other nine PPECCs were licensed to operate in Brownsville, Dallas, Forest Hill, Grand Prairie, Houston, Longview, Lubbock, and Tyler, Texas. Figure C.1 illustrates the licensed PPECCs in Texas as of January 31, 2024.

**Figure C.1: Licensed PPECCs in Texas as of January 31, 2024**



Source: OIG Audit, compiled from information contained in "Directory of all Texas PPECC providers (Excel)," HHS, <https://www.hhs.texas.gov/providers/long-term-care-providers/prescribed-pediatric-extended-care-centers-ppecc> (accessed February 1, 2024)

## Appendix D: Summary of Recommendations

**Table D.1: Summary of Recommendations to RGV Kidz Place**

No.	Recommendation
1	RGV Kidz Place should update its staffing and scheduling procedures to meet staffing ratio requirements for PPECC facilities.
2a	RGV Kidz Place should improve its coordination with therapy providers to verify each patient receives the therapy services to be provided in the PPECC setting as prescribed on the patient's plan of care.
2b	For services to be provided in a PPECC setting, RGV Kidz Place should implement procedures to update (a) current plans of care for each patient to reflect type, amount, duration, and frequency of occupational, physical, and speech therapy services and (b) changes to patient needs for therapy services.
3	RGV Kidz Place should perform, document, and maintain (a) checks of both the Employee Misconduct Registry and the Nurse Aide Registry before hire and annually for all staff members, (b) federal and state Medicaid exclusions checks monthly for all staff members, and (c) all required checks for rehired staff members.
4	RGV Kidz Place should implement (a) a secondary review process to verify it provided services before claims are submitted and (b) procedures to maintain service documentation. If the associated documentation does not support services were provided, RGV Kidz Place should make corrections prior to submitting the claim.
5a	RGV Kidz Place should consistently replace childproof covers on all electrical outlets when not in use.
5b	RGV Kidz Place should schedule fire alarm system testing semiannually.
5c	RGV Kidz Place should obtain a local fire marshal's office inspection annually.
6a	RGV Kidz Place should (a) maintain complete transportation records for patient transportation service trips and (b) implement procedures to protect transportation records from destruction.
6b	RGV Kidz should update its staffing and scheduling procedures to meet staffing ratio requirements for patient transportation services.
6c	RGV Kidz Place should document the reasons for the extended time in transport for each patient aboard a transportation vehicle for longer than one hour.

Source: OIG Audit

## Appendix E: Related Reports

- Lauve's Pediatric Extended Care: A Prescribed Pediatric Extended Care Center in Longview, Texas, [AUD-23-029](#), August 22, 2023

## Appendix F: Resources for Additional Information

The following resources provide additional information about the topics covered in this report.

### For more information on PPECCs:

"Prescribed Pediatric Extended Care Centers (PPECC)," Texas HHS, <https://www.hhs.texas.gov/providers/long-term-care-providers/prescribed-pediatric-extended-care-centers-ppecc> (accessed January 9, 2024)

### For more information on RGV Kidz Place:

Homepage, RGV Kidz Place, <https://www.rgvkidzplace.com/> (accessed January 9, 2024)

### For more information on Driscoll Children's Health Plan:

Homepage, Driscoll, <https://driscollhealthplan.com/> (accessed January 10, 2024)

### For more information on Superior HealthPlan, Inc. in Texas Medicaid:

Superior, "Medicaid & CHIP Plans," <https://www.superiorhealthplan.com/members/medicaid.html> (accessed January 9, 2024)

### For more information on UnitedHealthcare Insurance Company, Inc.:

Homepage, UnitedHealthcare, <https://www.uhc.com/about-us> (accessed January 19, 2024)

### For more information on UnitedHealth Group, Inc:

Homepage, UnitedHealth Group, <https://www.unitedhealthgroup.com/> (accessed January 19, 2024)



## Appendix G: Report Team and Distribution

### Report Team

OIG staff members who contributed to this audit report include:

- Anton Dutchover, CPA, Deputy Inspector General of Audit and Inspections
- Ryan Belcik, CISA, Audit Director
- Sarah Cason, CISA, CIA, Audit Project Manager
- Julia Youssefnia, CPA, Senior Auditor
- Courtlin Burke, Staff Auditor
- Karen Mullen, CGAP, CIGA, Quality Assurance Manager
- James Hicks, CISA, Quality Assurance Reviewer
- Paris Pham, Quality Assurance Reviewer
- Ashley Rains, CPE, CFE, Senior Audit Operations Analyst

### Report Distribution

#### Health and Human Services

- Cecile Erwin Young, Executive Commissioner
- Kate Hendrix, Chief of Staff
- Maurice McCreary, Jr., Chief Operating Officer
- Jordan Dixon, Chief Policy and Regulatory Officer
- Karen Ray, Chief Counsel
- Michelle Alletto, Chief Program and Services Officer
- Nicole Guerrero, Chief Audit Executive
- Emily Zalkovsky, Chief Medicaid and CHIP Services Officer, Medicaid and CHIP Services

- Camisha D. Banks, Deputy Executive Commissioner for Managed Care, Medicaid and CHIP Services
- Dana L. Collins, Deputy Executive Commissioner for Operations, Medicaid and CHIP Services
- Stephen Pahl, Deputy Executive Commissioner for Regulatory Services
- Michelle Dionne-Vahalik, Associate Commissioner, Long Term Care Regulation

#### **RGV Kidz Place**

- Orome Golde, Director
- Jo Ann Alvarez, Director of Nurses and Administrator
- Itzamara Garcia, Alternate Director of Nurses

## Appendix H: OIG Mission, Leadership, and Contact Information

The mission of OIG is to prevent, detect, and deter fraud, waste, and abuse through the audit, investigation, and inspection of federal and state taxpayer dollars used in the provision and delivery of health and human services in Texas. The senior leadership guiding the fulfillment of OIG's mission and statutory responsibility includes:

- Raymond Charles Winter, Inspector General
- Susan Biles, Principal Deputy Inspector General
- Kacy J. VerColen, Chief of Audit and Inspections
- Eugenia Krieg, Chief of Staff, Chief of Policy and Performance
- Erik Cary, Chief Counsel
- Diane Salisbury, Chief of Data Reviews
- Matt Chaplin, Chief of Operations
- Steve Johnson, Chief of Investigations and Utilization Reviews

### To Obtain Copies of OIG Reports

- OIG website: [ReportTexasFraud.com](http://ReportTexasFraud.com)

### To Report Fraud, Waste, and Abuse in Texas HHS Programs

- Online: <https://oig.hhs.texas.gov/report-fraud-waste-or-abuse>
- Phone: 1-800-436-6184

### To Contact OIG

- Email: [oig.generalinquiries@hhs.texas.gov](mailto:oig.generalinquiries@hhs.texas.gov)
- Mail: Texas Health and Human Services  
Office of Inspector General  
P.O. Box 85200  
Austin, Texas 78708-5200
- Phone: 512-491-2000