

Audit Report

Selected Memory Care Facilities

Le Rêve Rehabilitation
and Memory Care



**Inspector
General**

Texas Health
and Human Services

May 10, 2022

OIG Report No. AUD-22-011



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Le Rêve Rehabilitation and Memory Care

Results in Brief

Why OIG Conducted This Audit

The Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) conducted an audit of Le Rêve Rehabilitation and Memory Care (Le Rêve), a nursing facility licensed by the Texas Health and Human Services Commission (HHSC). OIG Audit's annual risk assessment included identification of risks regarding nursing facilities advertising as providing memory care services without disclosing whether the facility holds a certification to serve residents with Alzheimer's disease and related disorders.

Summary of Review

The audit objective was to determine whether Le Rêve, advertising as a memory care facility, provided services and operated in compliance with applicable laws, rules, and guidelines.

The audit scope covered the period from September 1, 2020, through November 30, 2021.

Management Response

Le Rêve agreed with the audit recommendations and indicated it will implement corrective actions by May 13, 2022.

For more information, contact:
OIGAuditReports@hhs.texas.gov

Conclusion

Le Rêve complied with most of HHSC's health and safety requirements tested during OIG Audit's unannounced site visit, including the condition of residents' rooms and storage of medication. Based on additional testing completed after the unannounced site visit, Le Rêve also complied with the required licensed nursing staff-to-resident ratios. However, Le Rêve did not comply with all selected requirements.

Key Results

While Le Rêve met most health and safety requirements tested, it has the opportunity to improve in some areas. Specifically:

- Le Rêve did not (a) prepare a written notice disclosing the facility was not certified to provide specialized care and treatment for facility residents with Alzheimer's disease and related disorders and (b) provide the written disclosure notice to residents and prospective residents or their families or next of kin or guardian.
- During the unannounced site visit, required postings were in the facility for public view, the physical environment was clean and accessible, and medication storage met applicable requirements. However, Le Rêve did not ensure adequate front desk staffing to (a) minimize the risk of residents with Alzheimer's and related disorders leaving the facility unattended and (b) screen facility visitors to sufficiently comply with COVID-19 rules.
- The facility was adequately staffed by licensed nursing staff, but not all direct resident care staff were properly trained. Nursing facilities must provide trainings to all direct care staff addressing how to care for residents. In addition, nursing facilities must ensure that facility staff who provide direct care to residents with Alzheimer's disease and related disorders complete training in the provision of care to these residents.

Recommendations

Le Rêve should ensure that (a) it prepares a written disclosure notice, (b) residents and prospective residents and their next of kin or guardian receive the written disclosure notice, and (c) the front desk at the entrance of the facility is sufficiently staffed. Additionally, the facility should develop a process to ensure direct care staff comply with applicable training requirements.

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Audit Overview

Overall Conclusion

Le Rêve Rehabilitation and Memory Care (Le Rêve), a nursing facility licensed by the Texas Health and Human Services Commission (HHSC), provides nursing services to short-term rehabilitation residents and long-term residents, including those with Alzheimer’s disease or a related diagnosis. Le Rêve is licensed to provide services to 108 total residents. At the time of the unannounced visit on November 8, 2021, 10 of the 24 residents at Le Rêve had a memory care diagnosis.

Le Rêve complied with most of HHSC’s health and safety requirements tested during the Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division’s (OIG Audit’s) unannounced site visit, including the condition of residents’ rooms and storage of medication. Based on additional testing completed after the unannounced site visit, Le Rêve also complied with the required licensed nursing staff-to-resident ratios.

However, Le Rêve did not comply with all selected requirements. Specifically, Le Rêve did not:

- Prepare a written notice disclosing the facility is not certified to provide specialized care and treatment for residents with Alzheimer’s disease and related disorders, as required, and provide to each resident, as well as each prospective resident or their next of kin or guardian.
- Ensure adequate front desk staffing to (a) reduce the risk of residents leaving the facility unattended and (b) fully comply with COVID-19 emergency rules.
- Have a process to ensure staff completed all required training prior to caring for residents.

Objective

The audit objective was to determine whether Le Rêve, advertising as a memory care facility, provided services and operated in compliance with applicable laws, rules, and guidelines.

Scope

The audit scope covered the period from September 1, 2020, through November 30, 2021.

The “Detailed Audit Results” section of this report presents additional information about the audit results. Audit issues identified in this report may be subject to administrative enforcement measures,¹ including administrative penalties.²

OIG Audit presented preliminary audit results, issues, and recommendations to Le Rêve in a draft report dated April 22, 2022. Le Rêve agreed with the audit recommendations and indicated corrective actions would be completed by May 13, 2022. Le Rêve’s management responses are included in the report following each recommendation.

OIG Audit thanks management and staff at Le Rêve for their cooperation and assistance during this audit.

Background

OIG Audit’s annual risk assessment included risks regarding nursing facilities advertising as providing memory care services without disclosing whether the facility holds a certification to serve residents with Alzheimer’s diseases and related disorders.

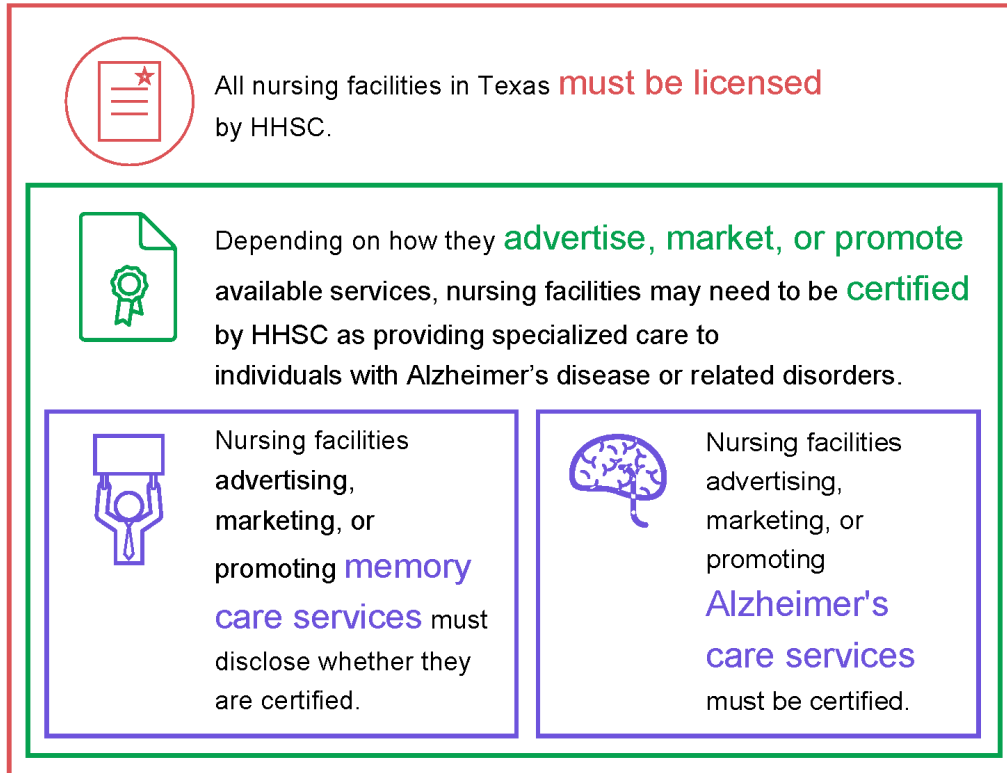
All nursing facilities in Texas must be licensed by HHSC. Texas nursing facilities have the option to seek HHSC certification for providing specialized care for residents with Alzheimer’s disease or related disorders. The Texas Legislature updated the Texas Health and Safety Code in September 2021 to require that nursing facilities prepare a written notice disclosing whether the facility is certified or is not certified to provide specialized care and treatment for facility residents with Alzheimer’s disease and related disorders.

¹ 1 Tex. Admin. Code § 371.1603 (May 20, 2020).

² 26 Tex. Admin. Code § 554.2112 (Jan. 15, 2021).

Figure 1 represents the licensing and certification disclosure requirements for nursing facilities.

Figure 1: Nursing Facility Licensing, Disclosure, and Certification Requirements



Source: OIG Audit

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 visited Le Rêve on November 8, 2021, to assess compliance with selected Texas Administrative Code and Texas Health and Safety Code requirements for nursing facilities. The audit team also conducted additional testing related to staff training and qualifications and staff-to-resident ratios.

The following sections of this report provide additional detail about the results of the audit conducted by OIG Audit. OIG Audit communicated other less significant issues to Le Rêve in a separate written communication.

Chapter 1: Le Rêve Did Not Provide a Written Disclosure Notice to the Required Individuals

As indicated by the facility name and facility marketing materials, Le Rêve promoted itself as a memory care facility. At the time of OIG Audit’s on-site visit, the facility did not provide a written disclosure notice, as required, to each resident, as well as each prospective resident or their next of kin or guardian.

The facility administrator asserted that the facility did not have a written disclosure notice because it is not an Alzheimer’s and memory care certified facility; therefore, he did not believe a written disclosure notice was required. However, because Le Rêve promoted memory care services, it should have complied with disclosure notice requirements.³

Not providing the required written disclosure notice while promoting the facility as providing specialized services for memory care residents increases the risk that prospective residents and their families erroneously believe the facility is certified to provide specialized care to individuals with Alzheimer’s disease and related disorders.

Recommendation 1a

Le Rêve should prepare a written disclosure notice to communicate the facility’s certification status to provide specialized care and treatment for facility residents with Alzheimer's disease and related disorders.

Recommendation 1b

Le Rêve should ensure it provides the written disclosure notice to residents and prospective residents or their next of kin or guardian.

Written Disclosure Notice

A nursing facility advertising, marketing, or otherwise promoting that the facility provides memory care services shall prepare a written notice disclosing whether the facility is certified or is not certified to provide specialized care and treatment for facility residents with Alzheimer's disease and related disorders.

Source: Texas Health and Safety Code § 242.0405

³ 4 Tex. Health & Safety Code §§ 242.0405 (Sept. 1, 2021).

Management Response

Action Plan

The facility will complete, and post, HHS Form 3641-A "Alzheimer's Disclosure Statement for Nursing Facilities." This completed disclosure statement will be provided to all current residents in the facility by the Social Worker, and documented in the resident's chart. In addition, this disclosure statement will be added to the facility's admission packet, which is completed by the Admissions' Coordinator, on all new residents admitting into the facility. There will be an acknowledgement line added to the admission packet for the resident and/or responsible party to sign acknowledging their receipt of the disclosure statement.

The facility Administrator will conduct random audits to ensure that all residents and/or responsible parties have been given the facility's Alzheimer's Disclosure Statement.

Responsible Manager

Facility Administrator

Target Implementation Date

May 13, 2022

Chapter 2: Le Rêve Complied with the Majority of Physical Facility Requirements

The unannounced site visit included seeing the required publicly viewable postings in the facility, the physical environment, and medication storage. Le Rêve had most of the required postings available for public view, including HHSC contacts, resident rights, inspection results, and the facility license. Furthermore, Le Rêve had a clean and accessible facility that included properly furnished resident rooms, handrails throughout the facility, and medication storage in accordance with applicable requirements.

However, Le Rêve did not (a) properly secure the facility to minimize the risk of residents with Alzheimer's and related disorders leaving the facility unattended or (b) screen facility visitors sufficiently to comply with COVID-19 emergency rules. The facility administrator asserted that the front desk attendant was out on vacation and the business manager was filling in at the front desk, as she was available; however, the front desk was not consistently staffed but was periodically checked for visitors.

The Le Rêve Front Desk Was Not Properly Staffed to Secure Access to the Facility

On the day of the unannounced site visit, the front desk, located at the entrance of the facility, was unattended for approximately five hours while auditors were on-site. Auditors observed residents frequently walking through the halls unattended past the front doors. The facility must be designed, constructed, equipped, and maintained to protect the health and ensure the safety of residents, personnel, and the public.⁴ Disorientation and wandering are symptoms for people with Alzheimer's and related disorders, which can be dangerous if the resident wanders out of the facility. The Alzheimer's Association estimates six in ten people living with Alzheimer's and related disorders will wander at least once.⁵ According to the business manager, the front doors to the

⁴ 26 Tex. Admin. Code § 554.1701 (Jan. 15, 2021).

⁵ "Wandering," The Alzheimer's Association, <https://www.alz.org/help-support/caregiving/stages-behaviors/wandering> (accessed Apr. 21, 2022).

facility are unlocked between 8:00 a.m. and 5:00 p.m. daily. Because the facility did not have controls in place to prevent residents from leaving the facility, such as an alarm on the front door or someone monitoring the front door, there is an increased risk for residents with Alzheimer’s and related disorders to leave unattended, which jeopardizes their safety.

Le Rêve Did Not Fully Comply with COVID-19 Emergency Rules

During the unannounced visit, Le Rêve did not screen the audit team sufficiently to comply with COVID-19 emergency rules. To mitigate COVID-19 transmission among vulnerable residents of nursing facilities, HHSC established an emergency rule requiring each facility to screen all visitors prior to allowing them to enter the facility.⁶ Visitor screenings must be documented in a log kept at the entrance to the facility, which must include the name of each person screened, the date and time of the screening, and the results of the screening. While Le Rêve kept a COVID-19 log at the entrance of the facility and auditors filled out the log upon entry to the facility, the facility did not observe all precautions.

Specifically, facility staff:

- Was not present to direct the audit team to fill out the log.
- Did not review the log to ensure the audit team was not exhibiting symptoms prior to auditors being allowed into the facility.

Failing to follow the COVID-19 emergency rules increases the risk that residents and staff will be exposed to COVID-19.

Recommendation 2a

Le Rêve should ensure the front desk at the entrance is sufficiently staffed to ensure the safety of all residents, including those with Alzheimer’s and related disorders.

⁶ 26 Tex. Admin. Code § 554.2802 (June 1, 2021).

Recommendation 2b

Le Rêve should ensure the front desk at the entrance is sufficiently staffed to ensure the required health screening for facility visitors in accordance with HHSC guidance is conducted.

Management Response

Action Plan

The facility's entrance doors are automatically unlocked Monday through Friday from 8:00AM till 5:00PM. All other times, including weekends, the doors are locked via a timed locking device. While the doors remain unlocked, the facility has developed the following individuals who will be responsible for being at the front desk. The order of individuals is as follows: 1) Front Desk/HR; 2) Business Office Manager; 3) Social Worker; 4) Administrator; 5) Therapy Director; 6) Housekeeping Supervisor. Using this method, it will ensure that if any of the named positions above are unavailable to monitor the front entrance, the next in line will be responsible, thus preventing the facility's entrance from remaining unattended while the doors remain unlocked.

These individuals have also been inserviced regarding the COVID-19 protocols for entering a facility, and will ensure that all staff and/or visitors are appropriately screened and logged in.

Responsible Manager

Facility Administrator

Implementation Date

May 2, 2022

Chapter 3: The Le Rêve Facility Had Sufficient Staff to Provide Direct Resident Care, But Not All Direct Resident Care Staff Were Properly Trained

Nursing facilities are required to maintain minimum staffing ratios for licensed nursing staff to ensure residents' health and safety.⁷ Auditors tested a random selection of 15 daily staffing reports to verify compliance with licensed staff-to-resident ratios, noting that Le Rêve fully complied by adequately staffing the facility to meet licensed staff requirements.

Nursing facilities must provide orientation and annual trainings to all facility direct care staff addressing how to care for residents.⁸ Specifically, auditors tested the following training requirements:

- Restraint reduction and prevention of falls
- Identifying and reporting incidents of abuse, neglect, exploitation, or misappropriation of resident property
- Dementia management

In addition, nursing facilities must ensure that facility staff who provide direct care to residents with Alzheimer's disease and related disorders complete training in the provision of care to these residents.⁹ The training must include information about:

- Symptoms and treatment of dementia
- Stages of Alzheimer's disease
- Person-centered behavioral interventions
- Communication with a resident with Alzheimer's disease or a related disorder

All 20 facility staff tested completed the required orientation training, as well as the required training on the provision of care to residents with Alzheimer's

⁷ 26 Tex. Admin. Code §554.1002(a)(1) (Jan. 15, 2021).

⁸ 26 Tex. Admin. Code §554.1929 (Jan. 15, 2021).

⁹ 26 Tex. Admin. Code §554.1920 (Jan. 15, 2021).

disease and related disorders. However, the facility administrator asserted that there is not a process in place to verify staff compliance with annual training requirements. Of the five staff who had been employed for at least one year:¹⁰

- Five did not complete restraint reduction training
- Three did not complete dementia management training
- One did not complete abuse, neglect, and exploitation training

In addition, when there are not enough staff during a shift to meet residents' needs, Le Rêve utilizes temporary agency staff to fill the shift. These temporary agency staff are required to comply with some of the training requirements. Each registered nurse, licensed vocational nurse, and nurse aide who provides nursing services must receive at least one hour of training each year in caring for people who have dementia.¹¹ Auditors tested a random sample of temporary agency staff for compliance with annual dementia related trainings. Le Rêve (a) could not provide documentation to support that any of the eight temporary agency staff selected for testing attended required dementia trainings and (b) did not have a process in place to ensure temporary agency staff had completed the required trainings.

Not completing the required trainings increases the risk that direct care staff may not provide adequate care to residents, which could jeopardize the health and safety of residents with Alzheimer's or related disorders.

Recommendation 3

Le Rêve should develop a process to ensure direct care staff comply with applicable training requirements.

¹⁰ Auditors only tested annual training requirements for facility staff that have been employed for at least one year. Staff that have been employed for less than a year may have not obtained annual trainings as of the date of audit testing while also being on track to comply with applicable requirements.

¹¹ 26 Tex. Admin. Code §554.1929 (2) (Jan. 15, 2021).

Management Response

Action Plan

The facility has developed a yearly inservice schedule to include all the required trainings. In addition to this schedule, individual logs will be developed for each employee to ensure compliance with their yearly training requirements. Each month, the HR director and/or the Administrator will review these employee logs to ensure each staff member was properly trained for that particular month's inservice.

Moving forward, all agency workers, providing direct care, will be given the same facility's orientation process and packet, thus ensuring their appropriate training before working at the facility.

Responsible Manager

Human Resource Director

Facility Administrator

Target Implementation Date

May 13, 2022

Appendix A: Objective, Scope, and Criteria

Objective and Scope

The audit objective was to determine whether Le Rêve, advertising as a memory care facility, provided services and operated in compliance with applicable laws, rules, and guidelines.

The audit scope covered the period from September 1, 2020, through November 30, 2021.

Criteria

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

- 42 CFR § 483.90 (2021)
- 4 Tex. Health & Safety Code §§ 242.0405 (2021), 250.003 (2014), and 250.004 (2011)
- 26 Tex. Admin. Code Chapter 554 (2021)
- COVID-19 Response for Nursing Facilities issued by HHSC Regulatory Services (2021)

Appendix B: Methodology and Data Reliability

OIG Audit conducted fieldwork during the period of November 2021 through March 2022, including an unannounced on-site visit on November 8, 2021, to test compliance with selected requirements relating to the physical environment to ensure the safety and wellbeing of residents, including:

- General Observations
 - Exterior conditions
 - Required postings
- Facility Safety
 - Interior conditions
 - Fire safety
- Facility Administration
 - Resident rooms
 - Common areas
- Resident Care
 - Infection control
 - Resident safety
 - Medication storage

In addition to the unannounced on-site visit, OIG Audit tested direct care staff records for memory care related training requirements, required staffing ratios, and verification of applicable certifications.

Additionally, auditors conducted interviews with Le Rêve’s management and staff and reviewed:

- Relevant documentation, such as policies and procedures.
- Supporting documentation, including but not limited to, training records, daily staffing reports, and employee files.
- Le Rêve’s system of internal controls, including components of internal control,¹² within the context of the audit objective.

Sampling Methodology

Auditors selected nonstatistical samples, primarily through random selections, relating to (a) facility direct care staff, (b) temporary agency direct care staff, and (c) daily staffing reports. The sample items were generally not representative of the populations; therefore, it would not be appropriate to project the test results to the populations.

Facility Direct Care Staffing

OIG Audit randomly selected 20 employee records from a population of 93 employees who provided direct care to memory care residents and were employed for longer than two weeks during the audit scope period.

Temporary Agency Direct Care Staffing

OIG Audit randomly selected 8 employee records from a population of 42 temporary agency direct care staff that provided care to memory care residents during the audit scope period.

Required Staffing Levels

OIG Audit selected 45 licensed nursing staffing records across all shifts in a 24-hour period from a population of 15 months of staffing during the audit scope period. Auditors randomly selected 3 of the 15 months, then randomly selected 5 days from each of those 3 months.

¹² 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).

Data Reliability

To assess the reliability of data related to facility direct care staff and temporary agency direct care staff, auditors (1) analyzed the data for reasonableness and completeness, (2) reviewed the source database and extraction methodology, and (3) interviewed facility staff who were knowledgeable about the data. OIG Audit determined that the data was sufficiently reliable for the purposes of this audit.

Appendix C: Summary of Recommendations

For all recommendations, the responsible manager is the facility administrator and Human Resources Director and the target implementation date is May 13, 2022.

Table D: Summary of Recommendations to Le Rêve

No.	Recommendation
1a	Le Rêve should prepare a written disclosure notice to communicate the facility's certification status to provide specialized care and treatment for facility residents with Alzheimer's disease and related disorders.
1b	Le Rêve should ensure it provides the written disclosure notice to residents and prospective residents or their next of kin or guardian.
2a	Le Rêve should ensure the front desk at the entrance is sufficiently staffed to ensure the safety of all residents, including those with Alzheimer's and related disorders.
2b	Le Rêve should ensure the front desk at the entrance is sufficiently staffed to ensure the required screening for facility visitors in accordance with HHSC guidance is conducted.
3	Le Rêve should develop a process to ensure direct care staff comply with applicable training requirements.

Source: OIG Audit

Appendix D: Related Reports

- Selected Memory Care Facilities: Village Green Alzheimer’s Care Home–Cypress, [AUD-22-005](#), February 28, 2022

Appendix E: Report Team and Distribution

OIG staff members who contributed to this audit report include:

- Kacy J. VerColen, CPA, Deputy Inspector General of Audit and Inspections
- Tammie Wells, CIA, CFE, Audit Director
- Cody Redmond, CPA, Audit Project Manager
- Kathryn Wolf, Staff Auditor
- Christine Alexander, Staff Auditor
- Karen Mullen, CGAP, Quality Assurance Reviewer
- Mo Brantley, 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
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- Stephanie Stephens, Chief Medicaid and CHIP Services Officer, Medicaid and CHIP Services
- Stephen Pahl, Deputy Executive Commissioner, Regulatory Services
- Michelle Dionne-Vahalik, Associate Commissioner, Long-Term Care Regulation

- Diana Choban, Deputy Associate Commissioner, Regional Operations and Licensing
- Michael Gayle, Deputy Associate Commissioner, Program Operations

Le Rêve Rehabilitation and Memory Care

- Troy Issac, Managing Member
- Mark Noel, Managing Member
- Erika Vasquez, Human Resource Director
- Rachel Amiri, Facility Administrator

Appendix F: 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:

- Sylvia Hernandez Kauffman, Inspector General
- Audrey O'Neill, Principal Deputy Inspector General, Chief of Audit and Inspections
- Susan Biles, Chief of Staff, Chief of Policy and Performance
- Erik Cary, Interim Chief Counsel
- Christine Maldonado, Chief of Operations and Workforce Leadership
- Steve Johnson, Chief of Investigations and Reviews

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