



Lauve's Pediatric Extended Care

A Prescribed Pediatric Extended Care Center
in Longview, 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 Lauve's Pediatric Extended Care (Lauve's Pediatric) in response to a Texas Health and Human Services Commission (HHSC) Regulatory Services request to review prescribed pediatric extended care centers (PPECCs), a new Texas Medicaid provider type as of November 1, 2016.

Lauve's Pediatric in Longview, Texas, is one of seven licensed prescribed pediatric extended care centers (PPECCs) in Texas as of December 31, 2022. During the audit scope, which covered the period from September 1, 2021, through December 31, 2022, Lauve's Pediatric served 16 patients; employed 23 individuals, including nurses, attendants, and drivers; and received \$617,423 in Texas Medicaid reimbursements for 300 managed care claims.

Summary of Review

The audit objective was to determine whether Lauve's Pediatric 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.

Conclusion

Lauve's Pediatric Extended Care (Lauve's Pediatric) in Longview, Texas, is a prescribed pediatric extended care center (PPECC). Lauve's Pediatric developed plans of care for patients; provided nursing care and transportation services to patients; completed employee licensing and criminal history checks; and trained attendants and drivers.

However, Lauve's Pediatric did not consistently comply with some requirements for staffing ratios; therapy services coordination; annual checks of the Employee Misconduct Registry and the Nurse Aide Registry; and claims submission.

Key Results

Lauve's Pediatric did not always meet required staffing ratios, coordinate with therapy providers, perform required annual employment checks, and correctly submit claims.

Lauve's Pediatric did not meet minimum staffing ratio requirements for 19 of 37 service dates tested. For 5 of the 19 service dates, Lauve's Pediatric did not meet total staffing requirements during portions of the day. For the remaining 14 service dates, Lauve's Pediatric asserted the director of nurses provided care to meet required staffing ratios; however, during the audit scope, Lauve's Pediatric was not permitted to count the director of nurses, who also served as the facility administrator, towards its staffing ratio.

Lauve's Pediatric did not (a) coordinate with therapy providers to help 3 of 29 patients receive therapy services as included on the patient's plan of care in service weeks tested and (b) perform annual checks of the Employee Misconduct Registry and Nurse Aide Registry as required for all four employees tested.

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 that requires 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, and transportation to and from the PPECC.

Management Response

Lauve's Pediatric agreed with the audit recommendations and indicated it began implementing corrective actions.

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Additionally, Lauve's Pediatric submitted claims in error for three separate PPECC services it did not provide, totaling \$323.44. Once the Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) made Lauve's Pediatric aware of these overpaid claims in May 2023, Lauve's Pediatric resubmitted the three claims to reduce future Texas Medicaid payments in the amount of the claims.

Recommendations

Lauve's Pediatric should:

- Update its staffing and scheduling procedures to meet staffing ratio requirements.
- Maintain scheduling and attendance documentation to support it met the requirements.
- 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.
- Implement procedures to update (a) current plans of care for each patient to reflect the amount, duration, and frequency of occupational, physical, and speech therapy services the patient will receive in the PPECC setting and (b) changes to patient needs for therapy services to be received in the PPECC setting.
- Complete annual employee checks of both the Employee Misconduct Registry and the Nurse Aide Registry.
- Implement a secondary review process to verify it provided services before claims are submitted. If the associated documentation does not support services were provided, Lauve's Pediatric should make corrections prior to submitting the claim.