

Caring Counselors Response to Audit Findings

Caring Counselors accepts the New Jersey Office of the State Comptroller, Medicaid Fraud Division (OSC) audit findings. The audit findings conducted by (OSC) has provided the opportunity to reflect on areas of improvement identified through the review process. We are committed to transparency, accountability, and continuous growth, and we value the guidance provided to help strengthen our organization and the services we deliver.

From its inception, Caring Counselors was founded with a clear mission: to provide high-quality, compassionate, and effective services to children, families, and individuals. Our organization was established by a collective of dedicated professionals who share a deep commitment to improving the lives of those we serve. We strive to deliver services with integrity, professionalism, and a strong adherence to best practices and regulatory standards.

Caring Counselors provides a wide range of services, including in-home therapy for children and families, socialization groups for children and adolescents, sensory enrichment services, as well as educational workshops for parents and professionals. Over the years, we have proudly served thousands of children and families, particularly within the New Jersey Children's System of Care.

A core priority of our organization is ensuring that our clinical team remains well-trained, informed, and equipped to meet the evolving needs of the populations we serve. We consistently invest in professional development and continuing education for our staff. This includes sponsoring several multi-day sand tray therapy trainings for licensed clinicians. In addition, Caring Counselors has participated as an agency in ARC Grow curriculum (caregiver skill building), Trauma-Focused Cognitive Behavioral Therapy, and Child-Parent Psychotherapy trainings which involved a year-long commitment. These trainings were supported through the New Jersey Children's System of Care. Caring Counselors requires ongoing professional development beyond state and licensing mandates. For example, all Behavioral Assistants were required to complete Trauma-Informed Insight training through NAMI (National Alliance on Mental Illness). Behavioral Assistants are also required to participate in ethical standards and codes of conduct trainings twice annually to reinforce accountability and quality of care.

Beyond clinical services, Caring Counselors is deeply committed to community engagement and social responsibility. We have provided housing support, food assistance, and access to critical community resources for families in need. Our mission has never been driven by profit, but by purpose. We strive to leave a positive and lasting impact by strengthening families, supporting vulnerable communities, and contributing meaningfully to the well-being of those we serve.

We would like to address issues reported in the Audit Report.

Response to Executive Summary

The OSC reported an error rate of 15.8% of the total claims reviewed. However, this percentage does not align with the report previously provided by OSC, which reflected an actual error rate of 5.64%. That report supports and affirms Caring Counselors' ongoing intention and efforts to maintain compliance.

Caring Counselors Failed to Follow Proper Billing Practices

Caring Counselors acknowledges that, in some instances, certain fields on the SDED forms were not fully completed. Specifically, there were occasions when sections related to youth demographic information or the youth's authorization information was not completed.

However, it is important to note that Caring Counselors consistently maintained accurate authorization information for all clients. Authorization details, including authorization numbers and service dates, were always verified through the NJ Children's System of Care (CSOC) system, which served as the official source for authorization tracking and billing.

In instances where certain demographic or authorization fields were not completed on the SDED form, the parent or guardian's signature confirming the date and time of services was always present. This signature served as verification that services were rendered as documented.

Additionally, Caring Counselors employed designated staff whose responsibility was to review all SDED forms to ensure that required signatures were obtained and that documentation reflected confirmation of services provided. While some demographic fields may have been incomplete, all required parental confirmations and service verifications were properly documented and reviewed.

Caring Counselors Billed Unsubstantiated Services and/or Maintained Inaccurate and Incomplete Records

Prior to the implementation of digital documentation, clinicians submitted paper invoices along with corresponding SDED forms. In some instances, clinicians inadvertently reported service hours on invoices that did not precisely match the hours documented on the SDED forms. Although Caring Counselors employed designated administrative and quality assurance staff responsible for reviewing and reconciling invoices against SDED documentation, these discrepancies were not always identified. The volume of documentation reviewed each week was substantial, and despite established procedures, some human errors occurred.

Once quality assurance staff verified that invoice information matched the SDED documentation, invoices were forwarded to the billing department. In many cases, discrepancies were identified and corrected prior to submission. Additionally, during periodic internal audits, Caring Counselors identified billing inconsistencies and issued refunds to Medicaid when appropriate. These actions demonstrate the organization's ongoing commitment to accountability and compliance.

With respect to instances in which SDED forms could not be located, Caring Counselors maintains that claims were not submitted unless an SDED form was present at the time of billing. During subsequent internal reviews, it was determined that some SDED forms had been misfiled. While many of these forms were later recovered, a limited number could not be located.

To further strengthen oversight and prevent recurrence, Caring Counselors has eliminated the use of paper invoices and transitioned fully to a digital documentation system. In addition, the organization has expanded its internal audit processes, increased the frequency of compliance reviews, and enhanced staff training related to documentation accuracy and billing requirements. These corrective measures are intended to improve oversight, reduce the risk of human error, and ensure continued compliance with all regulatory standards.

Caring Counselors Upcoded Services Provided

Caring Counselors has always employed licensed clinicians to provide services within the organization. At times, however, there has been confusion within the system of care regarding the distinction between licensed-level clinicians (LPCs and LCSWs) and master's-level clinicians (LSWs and LACs). In several instances, Care Managers and Mobile Response Specialists demonstrated uncertainty regarding these distinctions, which resulted in authorization discrepancies.

Caring Counselors has routinely informed Care Managers/Mobile Response Specialists on the appropriate classification of clinician credentials. Despite these efforts, some authorizations continued to be issued at incorrect service levels. In certain cases, Care Managers incorrectly classified licensed clinicians as master's-level providers. In other instances, licensed clinicians were authorized at a master's level or vice versa. These discrepancies were not intentional and did not reflect any effort to misrepresent services rendered.

Caring Counselors understands that ultimately it is our responsibility to detect any authorization errors and ensure that they are corrected. However, these authorization errors were missed due to human error. At the time, the Caring Counselors relied heavily on paper-based systems, including SDED forms, treatment plans, progress notes, monthly summaries, and invoices. Given the volume of documentation and the manual nature of the process, occasional inconsistencies occurred across records. In

some cases, billing staff were unaware of discrepancies and submitted claims based on the information available at that time.

Additionally, there were instances in which Caring Counselors was actively awaiting corrections from Care Managers/Mobile Response Specialists regarding authorization levels. During these periods, services continued in good faith while efforts were made to obtain accurate and updated authorizations.

Caring Counselors acknowledges these administrative errors and affirms that they were unintentional. Since the audit, the organization has since taken steps to strengthen internal review processes, improve documentation accuracy, and enhance communication with Care Managers to prevent similar issues in the future

Caring Counselors Failed to Document Services with a Progress Note

Caring Counselors has always documented every encounter with a client or family with a progress note that substantiates the services provided for every single encounter. This is an industry standard and required for providing services. There were two progress notes that were not submitted due to an error with the date. The date was mistakenly one day off for both encounters. Due to high volumes of paperwork, the hardcopy of the paperwork was filed in an errors folder for correction by clinicians. This was a way to correct those errors, prior to our Electronic Health Record which identifies the error quickly. Those progress notes were not accepted despite the date being off by one day and no SDED form submitted for the incorrect date of the progress note.

II. Caring Counselors Failed to Obtain and/or Maintain Required Vetting Information

A. Caring Counselors Failed to Maintain Behavioral Assistance Training Certifications for Behavioral Assistants

It is important to note that there have been longstanding challenges within the CSOC certification process itself. The CSOC has acknowledged these challenges in a recent memorandum.

Prior to the COVID-19 pandemic, all Behavioral Assistant certification trainings were conducted in person, with limited sessions offered across various regions of New Jersey. These classes were subject to strict participant caps, and staff were sometimes turned away after traveling long distances because the sessions were full. In some cases, staff who did attend did not pass on the first attempt, requiring supervisors to provide additional guidance and training on CSOC policies, structure, and the BA role.

Following the pandemic, trainings transitioned to a virtual format. While this improved accessibility in certain ways, challenges persisted. Monthly participant caps still limited the number of staff who could attend, and required classes were not always offered

consistently. As a result, some staff members experienced delays in fulfilling certification requirements despite their active efforts to register and participate.

At no point were IIC providers, including Caring Counselors, directed by the State or Rutgers (the training provider) to terminate staff due to certification delays. In fact, providers were encouraged to remain in communication with CSOC and Rutgers (organization providing BA training) to address these challenges collaboratively. Furthermore, the policy historically included a 90-day grace period for recertification, during which BAs were permitted to continue working while completing requirements.

Caring Counselors has consistently worked with our staff to support completion of BA certification and has taken corrective action when employees did not actively pursue or comply with requirements. We strongly value compliance with CSOC and Medicaid regulations and have made good-faith efforts to uphold these standards despite systemic barriers.

As documented in the Audit Report there were issues with Behavioral Assistant certifications.

- For 1 of 3 BAs, which accounted for 1 of 3 claims, Caring Counselors failed to provide documentation showing that the BA obtained their certification within the required six-month period. Additionally, the BA provided services to a new patient after the six-month certification period had passed, which violates DCF's guidance.
- For 2 of 3 BAs, which accounted for 2 of 3 claims, Caring Counselors provided a BA training certification that it had obtained after the encounter date. For example, one BA performed services on April 12, 2018, but Caring Counselors did not obtain the BA Certification until November 7, 2022, over 4 years after the service date. Additionally, these BAs continued providing services to new patients after the certification and recertification period had passed, which violates DCF guidance.

Regarding the 1st of the 3 Behavioral Assistants, the individual completed majority of the required coursework, which was submitted to the Comptroller's Office. At the time services were rendered, the Behavioral Assistant was actively working toward certification and was in the process of completing the remaining requirements. However, this individual separated from the organization prior to obtaining full certification.

Regarding the Behavioral Assistant who provided services on April 12, 2018, the audit draft contains an inaccuracy. The statement indicating that the clinician did not receive certification until four years later is incorrect. The Behavioral Assistant obtained certification on November 6, 2018, and documentation verifying this was submitted to the Comptroller's Office. Receipt of this documentation was confirmed by the Comptroller's Office at that time.

B. Caring Counselors Failed to Maintain a Current and Valid Driver's License for a Servicing Provider

Caring Counselors has always required a valid driver's license for all providers as part of the onboarding and employment process, regardless of whether the staff member transports clients. It is also important to note that many staff at Caring Counselors do not transport clients. This requirement has consistently been applied to all behavioral assistants and clinicians.

In this instance, the Behavioral Assistant's initial driver's license, which expired on 8/31/2017, was properly obtained and maintained in the employee file. However, the renewed license was inadvertently misfiled. This was an administrative error related to document management, not a failure to obtain or verify the required documentation.

We acknowledge that accuracy in recordkeeping is essential and that such errors should not occur. As a corrective action, Caring Counselors has implemented improved procedures, including the digital storage of all licensure and identification documents, to prevent future misfiling and to ensure enhanced compliance and record accuracy moving forward.

Corrective Action Plan for Caring Counselors

Caring Counselors has already implemented new practices during the four years of the audit process. We have identified flaws within our operations that have been modified to support required regulations.

We have implemented an EHR, Electronic Health Record system. This system allows us to always have access to progress notes, SDED forms and documentation. This system allows us to cross reference documents for conflicts with progress notes and SDED forms which can be corrected and updated more efficiently to avoid deficient claims. This allows our team to have a lower error rate and to attempt to get it 100% accurate as expected by the Comptroller's Office. We do run weekly audits to support these expectations and requirements.

We have implemented another layer of auditing for our billing. This system allows us to cross reference what was billed against what was provided. Our EHR creates a report and we use this report to monitor accurate data. This allows us to correct errors with billing in real time. We have already implemented a plan to make sure that services are provided for the correct level of service which differentiates between H0036 TJ U1 and H0036 TJ U2. The level is discussed prior to receiving the referral. We have cross referenced referrals and contacted those entities to correct level errors for services.

Our new system also supports an electronic record of staff documents such as driver's license and clinical licenses. This eliminates issues with lost paperwork and misfiling of paperwork due to human error.

We are compliant with DCF's system regarding Behavioral Assistant's certifications and licenses. We have created an extra layer of security and supervision to adhere to the certification process. It has been simplified and enhanced by DCF offering online classes as opposed to only in person and clear direction from their office about expectations which previously did not occur during the audit years. We recognize that most behavioral assistants are part time and transient which created barriers with certifications. Despite all those barriers, we are committed to complying and making sure every behavioral assistant whether they are providing services or not providing services are certified within six months. We will need assistance from DCF to address when behavioral assistants are inactive or on medical leave and want to return. We will need a way to provide documentation for those staff members so it doesn't look like they are working outside of the regulation due to their time of not working. Despite all of this, our goal is 100% compliance.

Lastly, staff members and professionals do attend trainings explaining the system of care and learn about regulations required by DCF and Medicaid to implement these services. We are dedicated to being better and complying with required regulations.