

Serious Deficiency Process - Update

Child and Adult Care Food
Program

Illinois State Board of Education
August 20, 2010

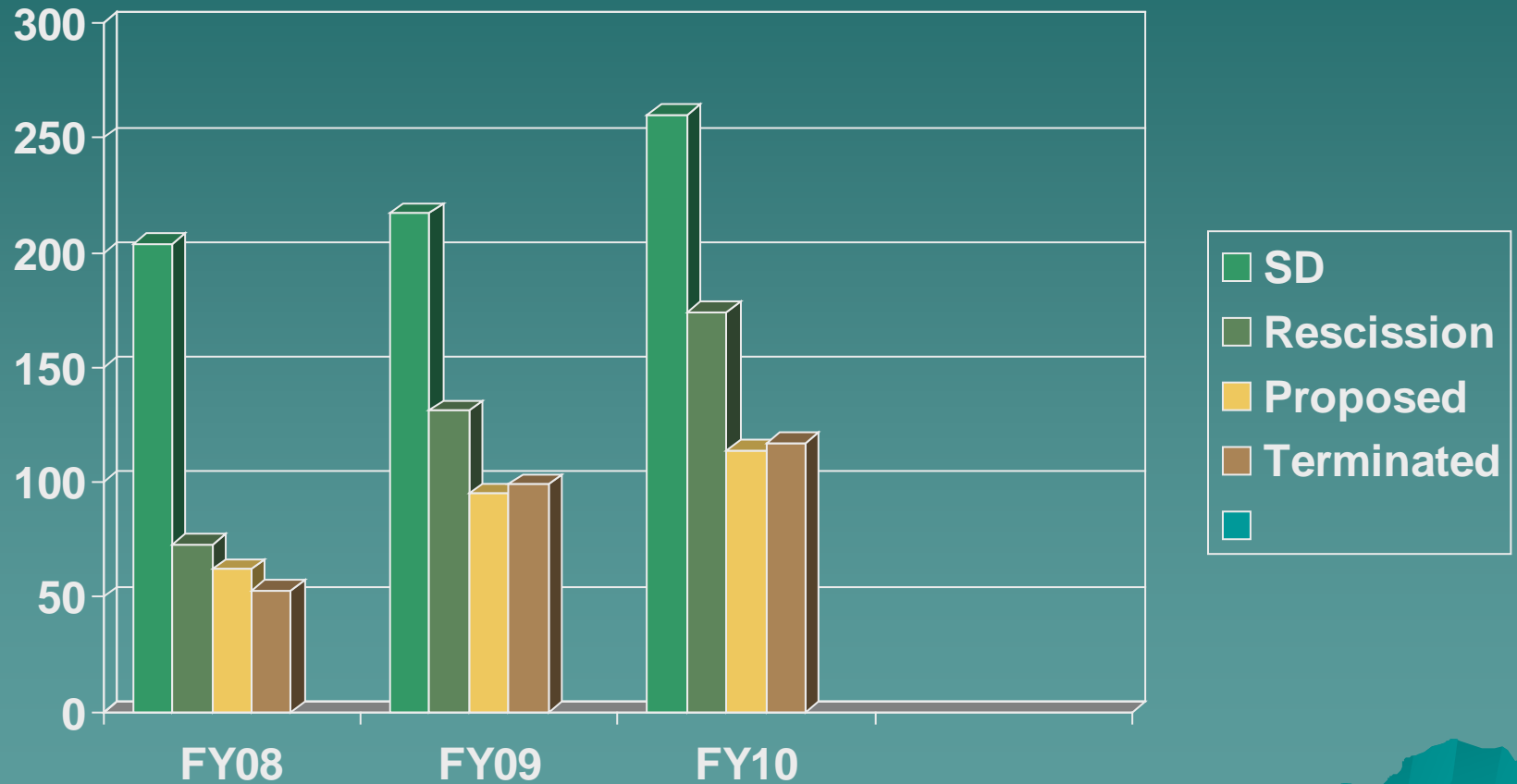
A stylized, layered mountain range graphic in shades of teal and blue, located in the bottom right corner of the slide.

Topics to be discussed


- ◆ Serious Deficiency Process
- ◆ Corrective Action
- ◆ Household Contact
- ◆ Sponsoring Organization Proposal
- ◆ New Administrative Review (Appeal) Process
- ◆ National Disqualified List



Update on status of SD



Five Main Areas in the Serious Deficiency Process - 7CFR226.16(l)(3)

- Finding of the non-compliance
 - Notification of the serious deficiency
 - Corrective action
 - Proposed Termination & Disqualification
 - Termination
- 
- A stylized, dark teal silhouette of a mountain range is positioned in the bottom right corner of the slide, partially overlapping the bottom edge of the list.

Opportunity for CA

◆ Yes ...



Corrective action for false or fraudulent claims


- ◆ *A provider's promise not to submit a false or fraudulent claim again does not constitute adequate corrective action*

What to do when a provider submits a false or fraudulent claim

- ◆ If a provider submitted a false or fraudulent claim:
 - Begin the SD process
 - Offer corrective action
 - Deny the invalid claim/recover or deduct payment

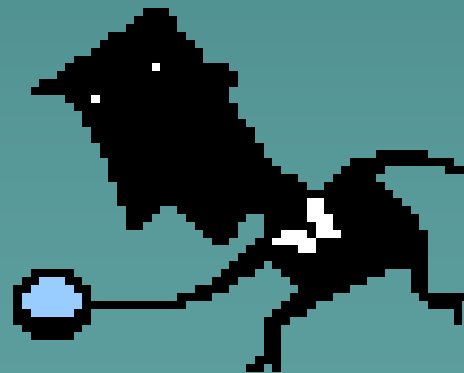


Timeframes for Corrective Action

- ◆ Equal or less than 30 days –
7CFR226.16(l)(3)(i)(C)
 - ◆ 30 days start at the day of the request
 - ◆ If not received within the timeline,
proceed to the next step of the SD
process
- 
- A stylized silhouette of a mountain range in a darker shade of teal, located in the bottom right corner of the slide.

Do you have to conduct an onsite review to verify implementation of corrective action?

- ◆ Follow-up reviews required



Status of Program payments

- ◆ General rule:

*Program payments **continue** to be reimbursed during the SD process to the time SD is resolved*

- *Exception: suspension due to imminent threat*

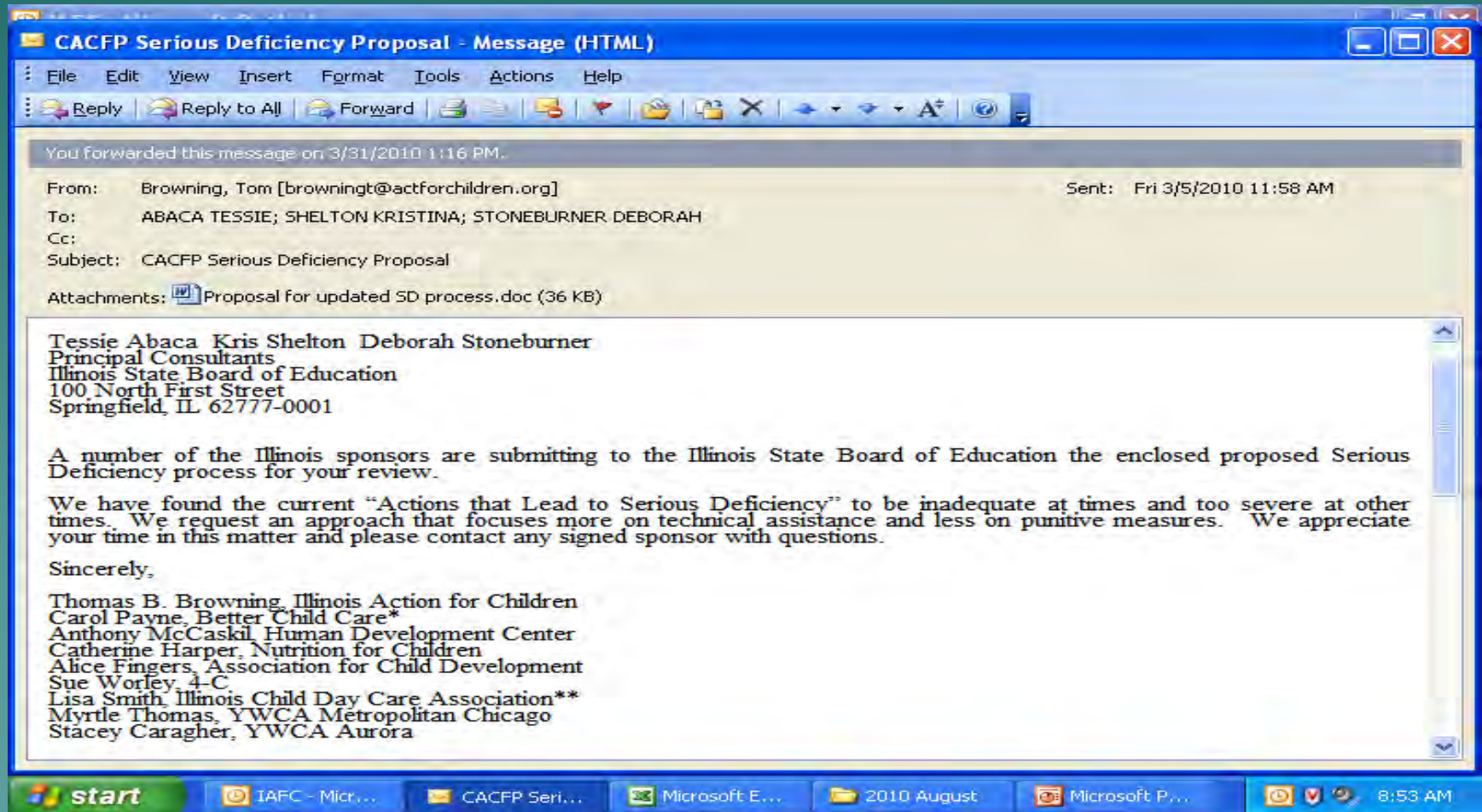
- * Always deny invalid claims

Household Contacts



- ◆ To verify enrollment and attendance
- ◆ By mail or by phone, or both

Sponsoring Organization Proposal on the SD Process



Actions That May Lead to Serious Deficiency – (Additional Tool)

Microsoft Excel - New Revised Format of Actions leading to SD 082010 (2)

Type a question for help

100% Arial

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	A	B	C	D	E	F	G	H	I	J	K	
				Corr Action		Deduct Meals				Conduct House Contact		
				At office, send Sample Letter #1. Provide & doc TA	Provide & doc TA. At review, write CA on rev form (provider signs form)	At day of visit or day(s) of occurrence	From day of review to 1st of month	Retroactive to time of discrepancy	Conduct unannounced follow up review within 30 days (blk claim w/in 60 days))	Contacts disagree w/ provider's records	Contacts agree provider's records	
2	List of Serious Deficiencies per Cause (7 CFR226.16(l)(2))	Pg	Examples of Findings or Scenarios									
3												
4												
5	7 CFR 226.16(l)(2)(i) - Submission of false information on the application	11	Provider did not provide accurate information in the Household Income Eligibility Application or in the site sheets	(x) 1st occurrence	(x) 1st occurrence			(x) 1st & 2nd occurrences				
6	7CFR 226.16(l)(2)(ii)- Submission of false claims for reimbursement	2	Meal not served at time of review, but claimed all other days (includes meals served at supper, evening snacks, etc.). If provider can justify, return to regular review; otherwise, provide tech assist.		(x) 1st occurrence					(x) 1st & 2nd occurrence	(x) 2nd occurrence	
7												

Sheet orig / Sheet1 / Sheet2 (dnu) / Sheet3(dnu) / Sheet 4 /

Draw AutoShapes

Ready NUM

start

Inbox - Micro...

Internet ...

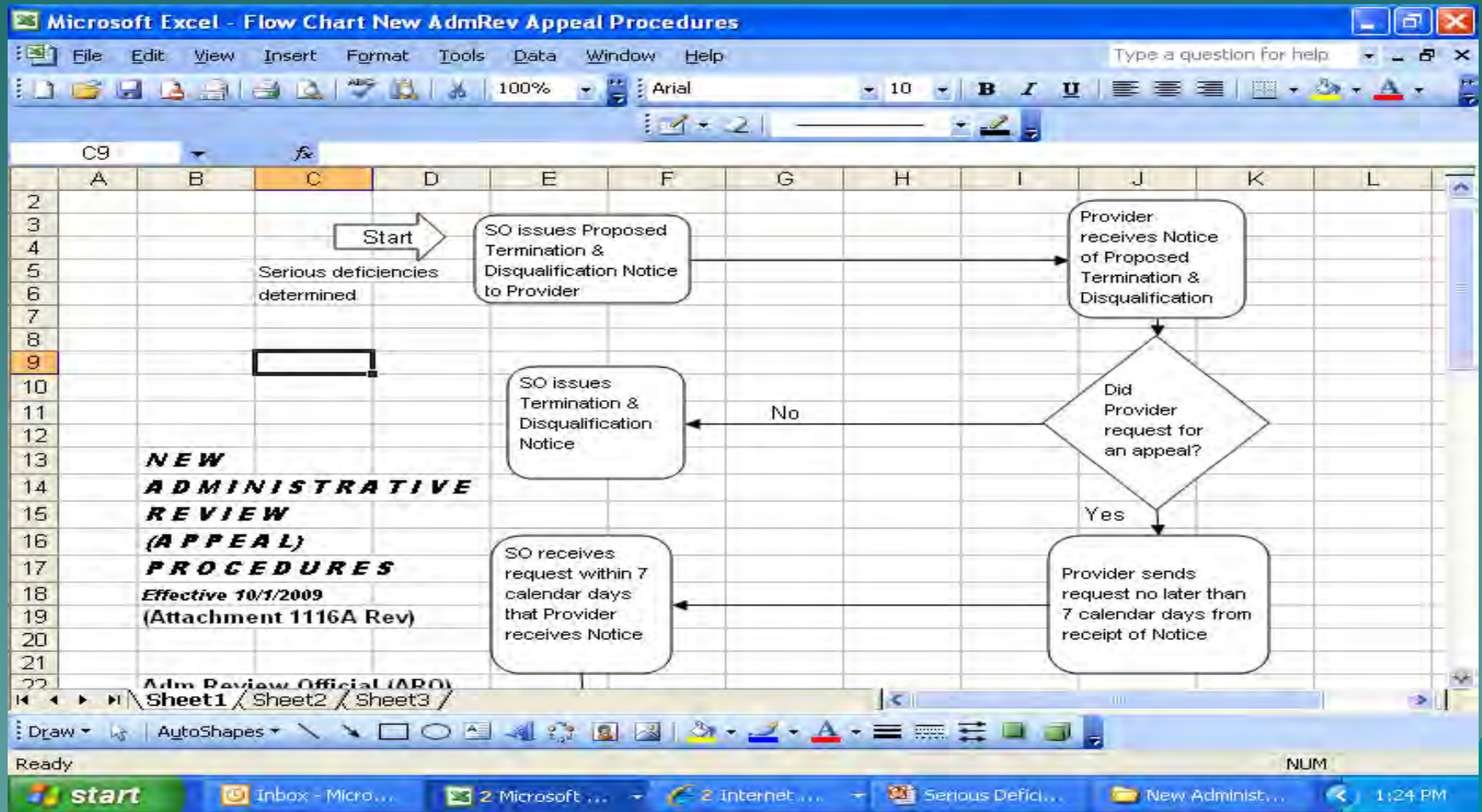
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Serious Defici...

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Flowchart: New Administrative Review (Appeal) Process



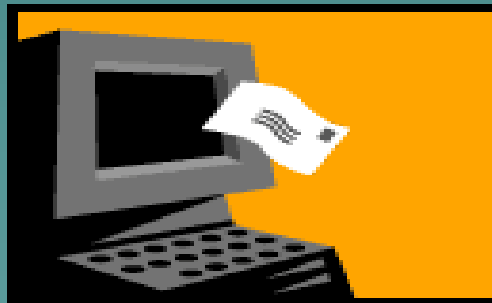
New Administrative Review (Appeal) Process

Procedures:

- ◆ SO receives the request within 7 days of receipt
- ◆ SO sends Acknowledgement Letter within 3 days of receipt
 - ◆ To provider
 - ◆ Copy to ISBE
 - Copy of provider request
 - ◆ Hearing Officer copy
 - Copy of provider request
 - All supporting documentation electronically scanned into MW, PDF, TIF or JPEG files
- ◆ Decision is rendered in 35 days

National Disqualified List

- ◆ Send Termination Letter to ISBE at the same time letter is issued to provider -



Re-instating Providers

◆ Prior to July 2002

- No debt incurred to the program
- Provider owing the program

Re-instating Terminated Providers

◆ After July 2002



- * Include formal procedures in the permanent file and in the site sheet
- * Do not sign up a provider without prior approval from ISBE

Questions ?

◆ Contact:

Tessie Abaca
Nutrition Programs
Tel 217-782-2491
Fax 217-524-6124
tabaca@isbe.net

