

OFFICE OF THE NASSAU COUNTY COMPTROLLER



Audit Follow-Up

**Limited Review of the Personal Touch Home
Care of Long Island Compliance with the
Nassau County Living Wage Law**

2017 - 2018

November 26, 2019

November 18, 2020

**JACK SCHNIRMAN
COMPTROLLER**

OFFICE OF THE NASSAU COUNTY COMPTROLLER

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This report is also available on our website at: <https://www.nassaucountyny.gov/Audits>



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Hon. Jack Schnirman

Nassau County Comptroller

November 18, 2020

Dear Nassau County Taxpayers:

From day one, a key priority for my Office continues to be our focus on conducting audits that achieve results.

That's why in 2018, our team implemented a new policy establishing a follow-up review of our audits. Along with providing an update and making it accessible for taxpayers, this new follow-up procedure will help us better ensure that the audit's recommendations are implemented, further increasing efficiency and accountability within our County government.

This process is not about playing "gotcha" with our audits; it's about real work getting done, focused on outcomes and results for our taxpayers.

This report provides a follow-up to the *Limited Review of the Personal Touch Home Care of Long Island 2017 and 2018*, which was released on November 26, 2019. I encourage you to read the original audit and this follow-up report to evaluate both the work of this Office and *Personal Touch Home Care of Long Island's* implementation of the corrective actions recommended by our Office. All audits are posted on our website, at www.nassaucountyny.gov/Audits.

Please feel free to reach out to our *Report It Reform It* tipline at ReportItReformIt@nassaucountyny.gov with any suggestions or questions that you might have.

Sincerely,

Honorable Jack Schnirman
Nassau County Comptroller

EXECUTIVE SUMMARY

INTRODUCTION

On November 26, 2019 the Nassau County Comptroller's Office released an audit of *the Limited Review of Personal Touch Home Care of Long Island*. The audit covered the period from January 2017 to December 2018. The objective of the review was to determine whether Personal Touch was following the Nassau County Living Wage Law and related Rules.

A copy of the ***Limited Review of Personal Touch Home Care of Long Island 2017 and 2018*** can be found online at the Comptroller's website [here](#)¹

Auditor Assessment of Progress Objectives and Methodology

Under a new policy implemented in 2018, the Comptroller's Office conducts a follow-up review of audits to ensure that the recommendations made are being implemented. Working with the agency, and with limited follow-up analysis performed by the Auditors, we have prepared this status report.

- **The audit of the Personal Touch Home Care of Long Island contained 3 audit findings, with a total of 7 recommendations.**
- **All of the recommendations have been implemented, including paying employees approximately \$8,800 in underpaid wages and compensated time off. This illustrates that Personal Touch Home Care of Long Island is working towards full compliance with the Nassau County Living Wage Law, record keeping and ensuring Personal Touch employees do not exceed the maximum 60 hours weekly limit.**

We commend the Personal Touch Home Care of Long Island Agency for making positive strides toward implementing our recommendations and thank the staff for the courtesy extended to our Office during this review.

Summary of Personal Touch Home Care of Long Island's Implementation of Audit Recommendations

Based on correspondence with the Personal Touch Home Care of Long Island and the limited follow-up analysis performed by the Auditors, each recommendation has been assessed by the Auditors as either Implemented (Green), In Process (Yellow), or Not Implemented (Red). See Exhibit I and Exhibit II on the next page for a breakdown of the stages of completion for all audit recommendations.

¹ https://www.nassaucountyny.gov/DocumentCenter/View/27478/Limited-Review-of-Personal-Touch-Home-Care-of-Long-Island-Compliance-with-the-Nassau-County-Living-Wage-Law_FINAL

EXECUTIVE SUMMARY

Exhibit I




Audit Follow Up				
Limited Review of Personal Touch Home Care of Long Island 2017 and 2018				
Summary of Department Implementation of Audit Recommendations				
Finding #	# Recommendations	Implemented 	In Process 	Not Implemented 
1	4	4	0	0
2	2	2	0	0
3	1	1	0	0
Total	7	7	0	0
Stages of Completion		100.0%	0.0%	0.0%

Exhibit II

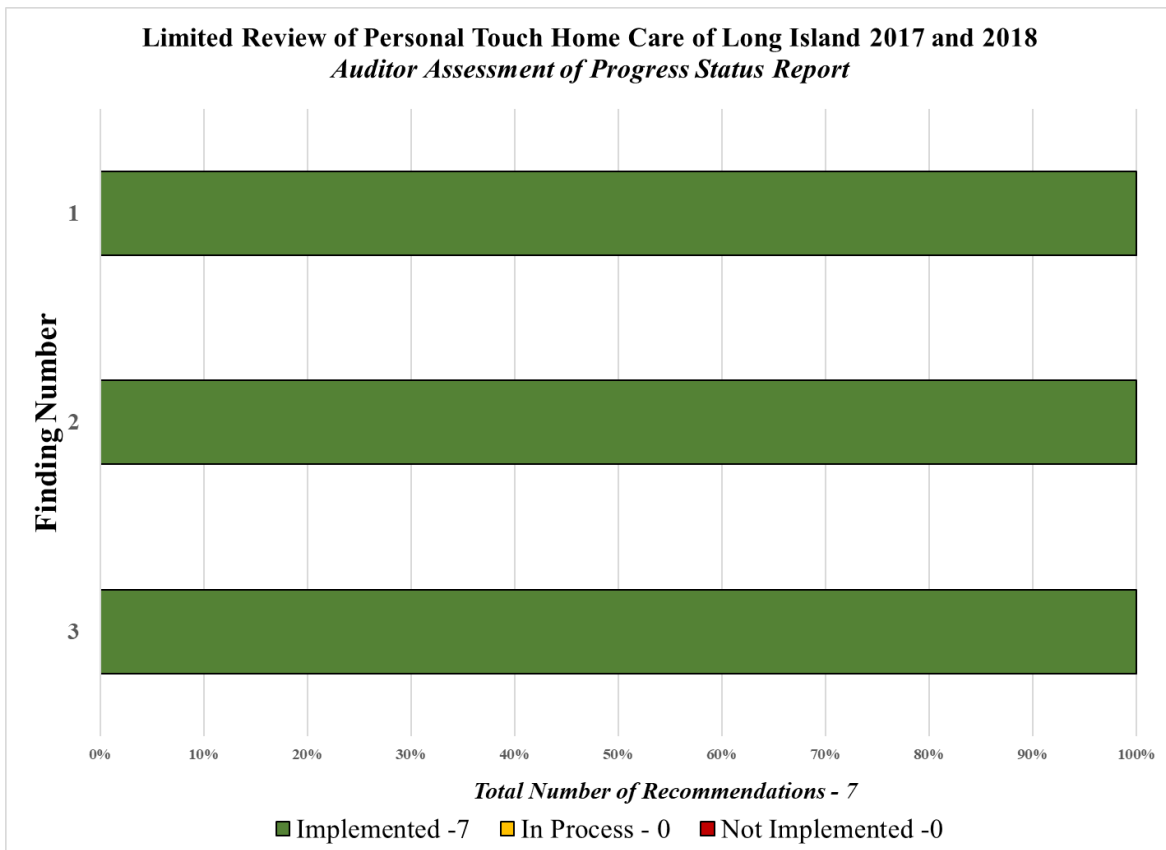


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INTRODUCTION

Summary of Original Report

The original review was undertaken to determine if Personal Touch Home Care of Long Island, which provides personal care services through an agreement with Nassau County Department of Social Services, was in compliance with the Nassau County Living Wage Law, which requires payment of a living wage, and the provision of health benefits or a health benefit supplement to certain employees. Additionally, the Law provides that full-time employees receive 12 paid days off a year, and part-time employees who work at least 20 hours per week, receive proportionate compensated days off. The original audit also reviewed provisions of the agency's Memorandum of Understanding with the Nassau County Department of Social Services.

Major Findings of the Original Report

- Auditors identified underpaid wages and uncompensated time off of approximately \$8,800 to 55 employees:
 - Nine of 219 employees were paid less than the living wage rate resulting in underpayments of \$1,390; and
 - 46 employees were not granted 474 hours of earned compensated time off totaling \$7,509.
- 45 instances were found where live-in aides worked more than the maximum 60-65 hours per week, including 18 instances where hours worked exceeded 80 per week, which potentially could impact patient care.

Major Recommendations of the Original Report

Personal Touch should:

- pay the nine employees identified \$1,390 in wages and provide proof of payment to the Comptroller's Office;
- pay the 46 employees identified \$7,509 owed for accrued compensated time or provide accrued time to these employees and provide proof of payment or accrual postings to the Comptroller's Office; and
- assure employees are not working more than 60-65 hours per week.

INTRODUCTION

Summary of Assessment of Audit Recommendations

Exhibit III below shows the audit findings and recommendations. The recommendations have been individually color coded to denote the Auditors' status assessment of each recommendation: Implemented (Green), In Process (Yellow), or Not Implemented (Red).

Exhibit III

Summary of Assessment of Audit Recommendations		
#	Audit Finding	Audit Recommendation(s)
1	Nine (9) of 219 Aides Were Paid Less Than the Living Wage Rate Resulting in Underpayments of \$1,390	Personal Touch should: a) pay live-in aides the Living Wage rate for 13 hours per 24-hour shift; b) pay the nine employees the \$1,390 due; c) provide proof of payment to the Comptroller's Office; and d) ensure complete and accurate payroll records are maintained pursuant to the Nassau County contract.
2	Forty-six (46) Employees Were Not Paid for 474 Earned Compensated Hours Totaling \$7,509	Personal Touch should: a) pay the 46 employees the \$7,509 owed for all accrued compensated time off owed or provide these employees the accrued time off; and b) provide proof of payment to the Comptroller's Office;
3	Auditors Found 45 Instances Where 19 Aides Worked More than the Maximum 60-65 Hours Per Week as Stated in their Contract; This includes 18 Instances Where the Hours Worked Exceeded 80 a Week, Potentially Impacting Patient Care	Personal Touch should adhere to the terms of the contract and MOU with regard to the number of hours employees work per week.

AUDITOR FOLLOW-UP ASSESSMENT OF PROGRESS

Auditor Assessment of Recommendation Implementation Progress

This section provides details on the audit report findings, recommendations, progress reports from Personal Touch Home Care of Long Island and the Auditors' analysis of the recommendation implementation. The recommendation implementation status also includes a color-coded bullet to indicate its progress.

Finding 1 Title	Nine (9) of 219 Aides Were Paid Less Than the Living Wage Rate Resulting in Underpayments of \$1,390
Finding 1 Recommendations	<ul style="list-style-type: none"> a) Pay live-in aides the Living Wage rate for 13 hours per 24-hour shift; b) Pay the nine employees the total amount of \$1,390 owed; c) Provide proof of payment to the Comptroller's Office; and d) Ensure complete and accurate payroll records are maintained pursuant to the Nassau County contract.
Personal Touch's Response to 11/26/2019 Report	<i>"We switched systems in 2017 and in the switch, our reports did not pick up Medicaid Pending cases that later were approved for Medicaid. The non-payment of the living wage was due to this oversight. Our current system accurately reflects such activity and we are sure to comply on a go-forward basis. We will be paying the 9 employees their time owed totaling \$1,390.17. Once the checks are issued, we will forward proof of payment to the comptroller's office."</i>
Auditors' Follow-Up Comments	<p>We concur with Personal Touch's response to pay all wage underpayments to the nine employees.</p> <p>We restate that Personal Touch provide the Comptroller's Office proof of payments made to employees.</p>
Personal Touch's Response to Audit Follow-Up	<ul style="list-style-type: none"> a) Please confirm and document to us that live-in aides are being paid the Living Wage rate for 13 hours per 24-hour shift. <i>"Response: We are currently not providing Live-In services to any Nassau county Medicaid patients. Should we begin to do so, all caregivers will be compensated for 13 hours per 24-hour shift at the living wage rate."</i> b) Please confirm and document to us that the nine employees have been paid the total amount owed of \$1,390.

AUDITOR FOLLOW-UP ASSESSMENT OF PROGRESS

	<p><i>“Response: Please see attached Payroll Register where the employees were paid for the accrued time.”</i></p> <p>c) With respect to (b), please explain why this proof has not been provided to our office.</p> <p><i>“Response: Due to a clerical oversight, the proof of payment was omitted when the checks were issued.”</i></p> <p>d) Please confirm that Personal Touch is maintaining complete and accurate payroll records pursuant to the Nassau County contract by providing the following records for entire month of July 2020:</p> <ul style="list-style-type: none"> i) Payroll in excel format; ii) Patient Schedules and Visit Records, which include the names of the client, employee, and hours; and iii) Medicaid reimbursements received via EMEDNY for services rendered in July 2020 in excel format. <p><i>“Response: Please see attached folder that contains all 3 items requested.”</i></p>
<p>Post Audit Follow-Up Analysis</p>	<p>Auditors reviewed the Payroll Register provided by Personal Touch for the week ending 12/20/19 which contained the payments for the 9 employees who were short paid \$1,390, including the check numbers and date paid.</p> <p>In addition, Auditors reviewed the July 2020 documentation provided by Personal Touch for six employees who were noted as short paid in the 2017-2018 audit to assess whether Personal Touch had provided complete and accurate payroll records. Auditors also checked to verify that there were no live-in cases in July 2020 and the correct living wage rate was paid.</p>
<p>Auditor Assessment of Progress</p>	<ul style="list-style-type: none"> ● 1.a) It appears the recommendation has been implemented. A review of the July 2020 documentation provided by Personal Touch confirmed that they had not provided live-in services to any Nassau County Medicaid patients. Personal Touch also stated that should they begin to provide live-in services, all caregivers will be compensated for 13 hours per 24-hour shift at the living wage rate. ● 1.b) The recommendation has been implemented. The payroll register provided by Personal Touch showed that the 9 employees were paid the amounts owed, which totaled \$1,390. ● 1.c) It appears the recommendation has been implemented. Personal Touch explained that due to a clerical oversight, the proof of payment was omitted when the checks were issued. In the absence of

AUDITOR FOLLOW-UP ASSESSMENT OF PROGRESS

cancelled checks, Auditors noted that the Payroll Register included check numbers and dates,

- 1.d) It appears the recommendation has been implemented. The Auditors' review of the documentation provided by Personal Touch for six employees from the July 2020 payroll found that the records were complete and accurate, and the correct living wage rate was paid.

AUDITOR FOLLOW-UP ASSESSMENT OF PROGRESS

Finding 2 Title	Forty-six (46) Employees Were Not Paid for 474 Earned Compensated Hours Totaling \$7,509
Finding 2 Recommendations	<p>a) Pay the 46 employees the \$7,509 owed for all accrued time or provide these employees the accrued time off; and</p> <p>b) Provide proof of payment or accrual postings to the Comptroller’s Office.</p>
Personal Touch’s Response to 11/26/2019 Report	<p><i>“We switched systems in 2017 and in the switch, the reports did not pick up Medicaid Pending cases that later were approved for Medicaid. In addition, when calculating compensated days owed, we rounded to the nearest whole number, which in some cases caused the employees to be underpaid the difference between the actual days and the rounded days. Thirdly, when using the rate to calculate the amount owed, we used an average rate for the year (rates changed midyear) and multiplied that by the total days owed, as opposed to going back to the specific time and using the corresponding rates for the exact days.</i></p> <p><i>As a result of new information provided (check payments to employees) we have reduced the total compensated time due from "\$8,170.37 due to 50 employees" to "\$7,508.92 due to 46 employees". We will be paying the 46 employees their time owed totaling \$7,508.92. Once the checks are issued, we will forward proof of payment to the comptroller's office.”</i></p>
Auditors’ Follow-Up Comments	<p>We concur with Personal Touch’s response and are pleased that they will make the payments to the 46 employees specified in Appendix A of the report.</p> <p>We reiterate that Personal Touch provide proof of payments to the Comptroller’s Office.</p>
Personal Touch’s Response to Audit Follow-Up	<p>a) Please confirm and document to us that 46 employees were either paid the \$7,509 owed for all accrued time or provided the accrued time off.</p> <p>b) With respect to (a), please provide an explanation why this has not been previously provided to our office.</p> <p><i>“Response: Please see attached Payroll Register where the employees were paid for the accrued time. Due to a clerical oversight, the proof of payment was omitted when the checks were issued.”</i></p>

AUDITOR FOLLOW-UP ASSESSMENT OF PROGRESS

Post Audit Follow-Up Analysis	Auditors requested proof of payments and were provided with a Payroll Register for the week ending 12/20/19. Auditors reviewed the payroll to verify that all 46 employees were paid the correct amounts owed, totaling \$7,509.
Auditor Assessment of Progress	<ul style="list-style-type: none">● 2.a) The recommendation has been implemented. The Payroll Register provided by Personal Touch showed that the 46 employees were paid the amounts owed for accrued time earned, which totaled \$7,509. ● 2.b) It appears the recommendation has been implemented. Personal Touch explained that due to a clerical oversight, the proof of payment was omitted when the checks were issued. In the absence of cancelled checks, Auditors noted that the Payroll Register included check numbers and dates.

AUDITOR FOLLOW-UP ASSESSMENT OF PROGRESS

Finding 3 Title	Auditors Found 45 Instances Where 19 Aides Worked More than the Maximum 60-65 Hours Per Week as Stated in their Contract; This includes 18 Instances Where the Hours Worked Exceeded 80 a Week, Potentially Impacting Patient Care
Finding 3 Recommendations	We recommend that Personal Touch adhere to the terms of the contract with regards to the number of hours aides work per week.
Personal Touch’s Response to 11/26/2019 Report	<i>“Effective immediately, Personal-Touch Home Care of Long Island, Inc. is limiting the amount of hours that a caregiver is permitted to work to 60-65 hours per week and all live-in cases are staffed on a rotational basis with two caregivers.”</i>
Auditors’ Follow-Up Comments	We are pleased that Personal Touch will be adhering to the terms of the contract regarding the number of hours employees are permitted to work per week.
Personal Touch’s Response to Audit Follow-Up	Please confirm that Personal Touch continues to limit the number of hours that a caregiver is permitted to work to 60-65 hours per week and all live-in cases are staffed on a rotational basis with two caregivers. <i>“Response: Personal Touch does continue to limit the number of hours that a caregiver is permitted to work to 60-65 hours per week and all live-in cases are staffed on a rotational basis with two caregivers.”</i>
Post Audit Follow-Up Analysis	Auditors used the July 2020 Payroll snapshots of six employees that Personal Touch provided and tested it to verify that no employees worked more than 60 hours.
Auditor Assessment of Progress	● 3. It appears the recommendation has been implemented. A review of the July 2020 payroll provided by Personal Touch showed that no employees worked more than 60 hours.

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