

# Critical incident management systems

protecting HCBS program beneficiaries

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Financial exploitation is a growing threat for aging and disabled individuals receiving care at home.

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 FEI Systems

A home health aide pockets the change after a run to the grocery store for her client. Later, the aide rounds up the time she spent providing care to an even number of hours on her timesheet for the client to sign. Her client, a 90-year-old man living alone, who, among other health impairments, has almost lost his eyesight, doesn't notice the timesheet discrepancies. And he's always trusted his aide to be honest with the cash he spends for his weekly milk and oatmeal.

A few dollars here and there and some falsified records may seem trivial ... but the money adds up. And these are just some of the ways older adults and those with disabilities can be victimized. Those reliant on caregivers for help with daily tasks are often at risk for this kind of theft – or more egregious financial abuse like being manipulated into handing over financial power of attorney.

Advocacy groups estimate one in 20 older adults is a victim of financial exploitation, with many suffering at the hands of adult children or spouses in their own homes. A growing demand for home- and community-based services (HCBS), particularly as the country's average population ages, will require more vigilance and oversight of Medicaid 1915(c) waiver programs to protect those who may not have the resources to protect themselves. In a recently proposed regulation, "Ensuring Access to Medicaid Services," the U.S. Centers for Medicare & Medicaid Services (CMS) has proposed critical incident management requirements for state Medicaid agencies overseeing unique waiver programs for aging and disabled populations that include monitoring for financial exploitation.

Suffering abuse, neglect and exploitation at the hands of a trusted caregiver is something no individual should have to fear, especially in the safe space that a home is supposed to be. As participation in Medicaid HCBS waiver programs grow, state agencies can no longer rely on antiquated or paper-based systems to field reports of abuse, track investigations of potential instances of wrongdoing, rework care plans to prevent future incidents or inform program policy. Armed with the right technology systems that automate key processes and facilitate timely and accurate reporting, these agencies can efficiently report, investigate and put measures in place to resolve reported crimes against the aging and disabled individuals they are tasked with serving.

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## WHERE'S THE MONEY GONE?

The American Association of Retired Persons (AARP) published a report in June 2023 that financial exploitation costs seniors \$28.3 billion each year. The report estimated nearly three quarters of funds stolen from adults ages 60 and up are taken by family or friends of the victims.

But the costs of financial exploitation are not only measured in dollars and cents, according to the AARP report. "Victims of these crimes suffer declines in mental health that coincide with the emotional distress of feeling tricked and misled. Physical health of victims is also at stake; evidence links [financial exploitation] to cardiovascular problems and possibly even earlier death," the report said.

According to the National Adult Protective Services Association (NAPSA), the most reported types of financial exploitation of aging populations – a group they deem to be 65 and older – include:

- Assets taken without knowledge, consent or authorization.
- Appropriation of assets by trusted individuals for unintended uses.
- Unauthorized sale, transfer or changes of property ownership.
- Paying for services not provided by licensed individuals.
- Payments to lottery or sweepstake scams.

NAPSA estimates financial exploitation of older adults is becoming increasingly common, with most cases going unreported. The group also reports that victims of financial exploitation are four times more likely to have to be moved into a nursing home or facility for care.

The primary goal of Medicaid HCBS waiver programs is to allow people the option to live safely in their homes and communities as they age, even if they have physical or intellectual disabilities. These vulnerable populations – defined by the U.S. Department of Justice (DOJ) as the elderly and individuals with a physical or mental impairment – may in fact be at increased risk for abuse, neglect and exploitation. The DOJ defines exploitation of a vulnerable adult as the improper use of "financial power of attorney, funds, property or resources ... for profit or advantage."

## By the Numbers

According to NAPSA, financial exploitation is on the rise among aging populations, even if only an estimated one in 44 cases is reported to authorities. The latest data from the organization shows:

- in the recent past, one in 20 older adults have reported some form of perceived financial abuse.
- most abuse (an estimated 90 percent) is carried about by family members or trusted friends.
- older abuse victims are four times more likely to move to a nursing home or facility following an instance of abuse.

## PLAYING ON FEAR

Abuse, neglect and exploitation of vulnerable populations is more common in home- and community-based settings than in licensed facilities, and without strict oversight, it's easier for predators to take advantage. The U.S. Bureau of Statistics reported between 2017 and 2019 that persons with cognitive disabilities were victimized the most among all disabled populations, measuring at a rate of 83.3 per 1,000 people.

How do perpetrators do it? According to the Special Needs Alliance, examples of financial exploitation can range from convincing an individual to retrieve cash from an ATM, to manipulating an individual into granting financial power of attorney to simply outright theft.

Unfortunately, caregivers may recognize targeting an individual with a disability has minimal inherent risk as victims are less likely to realize they are being taken advantage of and then less likely to report the conduct, according to Special Needs Alliance. Additionally, given their disability, they may have difficulty communicating and reporting the abuse or may have come to assume no one would believe their story, even if they could share it.

Often, victims in these situations rely heavily on their caregivers to live in their homes, as they need help with things as intimate as getting dressed or bathing. Victims may also not realize they are being manipulated by someone who is supposed to be caring for them. And if they do suspect foul play, individuals may fear they will be forced to move to a nursing home if the home caregiver faces punishment.

For those who have suffered at the hands of financial exploitation, the impacts can be severe. Primarily, for older adults with a disability that may struggle or are unable to find work, there may be no way to replace lost assets. Individuals may lose their homes and the ability to provide for their own long-term needs. According to NAPSA, victims of financial abuse and exploitation may also suffer from loss of trust and security and depression.

**The Special Needs Alliance identifies several signs a loved one may be a victim of financial exploitation.**

- Loved one begins to isolate themselves.
- Caregiver suddenly acquires costly items.
- Cash, valuables or financial statements are missing.
- Loved one transfers assets or gives lavish gifts without much explanation.
- Bills start to go unpaid or utilities are turned off.
- There are unexplained changes to estate documents.



## PROTECTING THE VULNERABLE

Critical incident management systems are one of the chief tools health and human services agencies use to understand and help prevent financial exploitation. Even if mostly done piecemeal across state departments, incident management plays a vital role in protecting program participants from harm. As technology has evolved, more sophisticated incident management systems include automation of key activities such as classifying reported incidents, immediate notification of required investigations to authorities and data analysis tools to understand how incidents may be prevented in the future.

There currently is no national standard for how incident management should be done for Medicaid waiver programs serving vulnerable populations, including older and disabled adults living in their homes and communities. In fact, 32 of 45 states included in a recent CMS survey operate multiple incident management systems within their borders. CMS conducted this survey of agencies administering Medicaid HCBS programs in 2019 to gain a better understanding of how they are using their critical incident management systems to serve program participants. According to the survey results:

- a standard definition of critical incidents does not exist across state lines.
- there are discrepancies in how programs receive reports of and investigate critical incidents, even within the same state.
- financial exploitation is often coded as “other” so those events cannot be reported on or tracked as a unique form of abuse.
- outdated technology platforms and manual processes hinder incident investigations.

Finally, only about 43 percent of program administrators have reportedly used incident data collected by their systems to conduct analysis and implement a systemic or operational intervention that might benefit the safety of program participants. A follow up survey is planned for 2024 for more targeted information on how states are addressing critical incident management and how their policies have changed in the last four years.

In a recently proposed regulation from the agency, CMS advised the minimum standard definition of critical incident should include “verbal, physical, sexual, psychological, or emotional abuse; neglect; exploitation including financial exploitation; misuse or unauthorized use of restrictive interventions or seclusion; a medication error resulting in a telephone call to or a consultation with a poison control center, an emergency department visit, an urgent care visit, a hospitalization, or death; or an unexplained or unanticipated death, including but not limited to a death caused by abuse or neglect.”

Financial exploitation was included in the definition, and CMS requested states, organizations and advocacy groups specifically to comment on whether additional forms of exploitation, including identify theft or fraud, should be captured in the proposed definition for critical incidents.

When the CMS access rule is finalized, state Medicaid fee-for-service agencies will be required to have online critical incident management systems that fulfill a series of requirements within three years of the publication of the final rule. These requirements include the ability to electronically:

- submit incident reports from a variety of entities, including Medicaid fraud control units, adult protective services, child protective services and law enforcement.
- track incident investigation status.
- share data between incident reporting entities to aid in investigations.

CMS would also require state agencies to assess their incident management system for efficacy and report on that assessment to the federal agency every two years.

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## TIME IS OF THE ESSENCE

Understanding the potential for financial exploitation of vulnerable adults is just one part of the comprehensive solution required to protect individuals from this form of abuse. CMS recommends waiver program administrators improve relationships with adult protective services agencies, share data with relevant stakeholders to identify trends and collaborate with other state departments so available resources can be used for maximum impact.

Ultimately, to ensure the safety of participants, waiver program administrators need assurance that potential instances of wrongdoing can be easily reported, and immediate action is taken to investigate and remedy any wrongdoing. With comprehensive critical incident management systems that are in line with CMS recommendations for best practices, the proper steps can be taken to understand reported events, their causes and what preventative steps can be taken to keep them from happening again.

Adopting a digital critical incident management system is an important first step towards modernization and enhancement of incident management processes. But just moving online only scratches the surface of all current technology has to offer. By taking advantage of solutions built with a cloud-native architecture, agencies can be confident in their system security and growth potential, as cloud-native solutions are highly secured platforms and offer near limitless expansion, as needs change or programs are added and expanded over time.

That potential for expansion is one of the key advantages of the enterprise critical incident management solution offered by FEI Systems. The platform was designed to handle incident management functionality for all programs administered by state agencies and can take on other programs as they are added. Additionally, the FEI solution meets CMS proposed incident management requirements out of the box, will be enhanced to meet future identified requirements and can be tailored to fit specific agency needs today and into the future.

FEI brings a person-centered approach to critical incident management, providing configurable, modular solutions that relieve the massive administrative burden on staff members, case managers, providers and stakeholders. Perhaps most importantly, the system has the data analytics tools to determine trends and how plans of care need to change to prevent future incidents from occurring, based on reported event data and investigations.

As the demand for HCBS continues to grow, modern, enterprise critical incident management systems are increasingly necessary to protect older and disabled populations living alone and at risk for financial exploitation. To learn more about a partnership with FEI and implementing an enterprise incident management solution, visit <https://feisystems.com/ancillaryservices/incident-management/>.

Report suspected theft or fraud to APS.

If you suspect a loved one living at home, with a family member or in an unlicensed facility is a victim of theft or fraud, the first call should be to your state's APS line. The full directory can be found at <https://www.napsa-now.org/help-in-your-area/>.



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For more than 20 years, FEI Systems has provided innovative IT solutions that assist federal, state and local health and human services agencies in caring for the most vulnerable members of the communities they serve.

FEI's Blue Compass suite of solutions includes a host of modules designed to address common requirements while meeting the unique and complex needs of each of the agencies and organizations we serve. Our case management for long-term services and supports system, our behavioral health case management system and our provider management platform offer comprehensive tools for the cross-agency delivery of person-centered, coordinated health and human services.

The suite also includes ancillary sub-modules and function-specific features for:

- data collection and reporting
- incident management
- reimbursement and claims processing
- consent management
- assessment for treatment services
- electronic health record (outpatient)
- visit verification, billing and waiver eligibility

Our Blue Compass incident management solution is designed to keep people safe, and we would be honored to partner with you in serving those you work tirelessly to protect.

**To learn more or request a demo, visit [feisystems.com](https://feisystems.com)**