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October 21, 2024

Performance Audit  
Recommendations and  
Corrective Actions for Audit:  
23-04

DEPARTMENT OF  
DISABILITIES, AGING AND  
INDEPENDENT LIVING:

DAIL Needs to Comply with  
Requirements for Timeliness of  
Inspections of Assisted Living  
Residences and Residential Care  
Homes, and Make Other Changes,  
to Ensure Vulnerable Vermonters  
Are Safe

Dated: March 27, 2023

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# Overview

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The State Auditor's Office (SAO) makes recommendations designed to improve the operations of state government. For our work to produce benefits, auditees or the General Assembly must implement these recommendations, although we cannot require them to do so. Nevertheless, a measure of the quality and persuasiveness of our performance audits is the extent to which these recommendations are accepted and acted upon.

The greater the number of recommendations that are implemented, the more benefit will be derived from our audit work.

In 2010, the SAO began to follow-up on the recommendations issued in our performance audits. Experience has shown that it takes time for some recommendations to be implemented. For this reason, we perform our follow-up activities one and three years after the calendar year in which the audit report is issued. Our annual performance reports summarize whether we are meeting our recommendation implementation targets.

<http://auditor.vermont.gov/about-us/strategic-plans-and-performance-reports>

This report addresses the requirements of Act 155 (2012) to post the results of our recommendation follow-up work on our website. The report does not include follow-up on recommendations issued as part of the state's financial statement audit and the federally mandated Single Audit, which are performed by a contractor. However, our current contract for this work requires the contractor to provide the results of its recommendation follow-up.

Rec #	Recommendation	Follow-Up Year	Status	SAO Review Comments
1	Develop and implement a system to ensure licensure inspections are conducted annually, by statute and regulation.	2024	Fully Implemented	DAIL created a tracking tool and provided a current copy which shows that they are monitoring annual inspections. We validated that a selection of inspections listed in the tool occurred by reviewing the inspection reports.
		2026	No further follow-up is required because the recommendation was fully implemented.	
2	Immediately inspect facilities that have gone four years without any inspections.	2024	Fully Implemented	DAIL inspected these facilities in 2023 and 2024.
		2026	No further follow-up is required because the recommendation was fully implemented.	
3	Develop and implement a facility licensure process to include a full inspection shortly after residents move in.	2024	Fully Implemented	DAIL created a tracking tool to schedule inspections 3 to 6 six months after a facility opens. DAIL provided a current copy which shows that they are tracking new facilities and scheduling inspections of them.
		2026	No further follow-up is required because the recommendation was fully implemented.	
4	Inspect any facilities that had a change in ownership during audit scope and had not had a subsequent licensure inspection.	2024	Fully Implemented	DAIL has conducted a licensure inspection of these facilities.
		2026	No further follow-up is required because the recommendation was fully implemented.	
5	Update procedures to match regulations such that facilities with a change of owner or manager receive an inspection, in alignment with regulations.		Partially Implemented	DAIL provided a current example of their tracking tool showing that they are tracking new facilities and scheduling inspections of them. However, their documented procedures do not address inspecting a facility after a change of ownership. Therefore, there is no assurance that DAIL will inspect a facility shortly after an ownership change. According to their tracking tool, one facility has gone more than a year without an inspection after a change in ownership.
		2026	The three-year recommendation follow-up for this audit will be conducted in 2026.	
6	Develop and implement a system to identify when DAIL has not finalized the results of inspections.	2024	Fully implemented	DAIL provided a current copy of their tracking tool showing that they are tracking the dates of inspections and the due dates for finalizing them.
		2026	No further follow-up is required because the recommendation was fully implemented.	

Rec #	Recommendation	Follow-Up Year	Status	SAO Review Comments
7	Finalize the unfinished statements of deficiencies.	2024	Fully Implemented	DAIL reports that instead of finalizing the old reports, they revisited the facilities and performed a new inspection. We reviewed the inspection reports for these facilities and validated that DAIL had inspected them.
		2026		No further follow-up is required because the recommendation was fully implemented
8	Develop and implement a system to identify delays in providing Statement of Deficiencies and receiving Plans of Correction.	2024	Fully implemented	DAIL provided a current copy of their tracking tool which shows that they are tracking the dates of inspections and the due dates for facilities to return Plans of Correction.
		2026		No further follow-up is required because the recommendation was fully implemented.
9	Develop and implement a system to track trends and repeat deficiencies across all inspection types.	2024	Partially Implemented	DAIL is using the same limited procedures to track trends and repeat deficiencies that we noted in the audit report, with the addition of a monthly newsletter that notifies all facilities of the top ten most identified deficiencies and the creation of a tool to track uncited citations and verbal feedback.
		2026		The three-year recommendation follow-up for this audit will be conducted in 2026.
10	Expand the definition of “failure to correct a deficiency” to include uncorrected deficiencies also found during licensure and complaint inspections.	2024	Not Implemented	During the audit, DAIL responded to this recommendation stating that they will evaluate how they define facility compliance as it relates to repeated violations. DAIL now disagrees with this recommendation. SAO contends that the vulnerable adults in these facilities are at risk whenever deficiencies are repeated no matter what type of inspection identified the deficiencies. Therefore, in all these cases, the facilities should be at risk of enforcement actions.
		2026		The three-year recommendation follow-up for this audit will be conducted in 2026.
11	Update website to include all inspection results, ensure those results are legible, and include other records of enforcement actions against facilities.	2024	Partially Implemented	DAIL has been posting legible inspection results but states that they have not consulted with their Legal department to determine the appropriate way to post enforcement actions, if at all.
		2026		The three-year recommendation follow-up for this audit will be conducted in 2026.

Rec #	Recommendation	Follow-Up Year	Status	SAO Review Comments
12	Finalize draft procedures with the addition of a: (1) requirement to visit new facilities and facilities with new owners within set time after license issuance, (2) set timeline for follow up on Immediate Jeopardy deficiencies, (3) procedures and timelines for following up on Actual Harm deficiencies, and (4) procedures for immediate enforcement actions, including timelines.	2024	Partially Implemented	While DAIL asserts that the procedures were finalized in 2023, they did not include all the elements that were recommended in the audit report.
2026			The three-year recommendation follow-up for this audit will be conducted in 2026.	