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STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

September 11, 2000

Mr. Walter G. Hoefler
Director
State Office for the Aging
Empire State Plaza Building 2
Albany, New York 12223

Re: Coordination of Transportation for the
Elderly
Report 98-S-35

Dear Mr. Hoefler:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, we have audited the State Office for the Aging's (SOFA) role in monitoring and overseeing transportation services available to the elderly. Our audit covered the period April 1, 1998 through March 31, 1999.

A. Background

SOFA promotes, coordinates, and administers Federal, State and local programs and services for New York State residents aged 60 or older. SOFA oversees a network of 59 Local Area Agencies on Aging (Area Agencies), which plan, coordinate and provide services to the elderly (or seniors). The Area Agencies are sponsored by county and municipal governments (including New York City), tribal governments, and not-for-profit organizations. According to the 1990 census, nearly 3.2 million New Yorkers were at least 60 years old.

According to the Federal Older Americans Act of 1965, each Area Agency is required to develop a plan for providing a comprehensive and coordinated system of services to the elderly. These services are to include nutritional services and supportive services, such as transportation. In developing the plan, each Area Agency is required to determine the extent of need for these services, as well as the extent to which the need is met by existing public and private programs. The Plan is submitted for SOFA's approval every four years and updated annually.

State regulations reinforce the Federal requirements by specifying that a needs assessment and resource inventory be completed as part of the process through which priorities are determined and funding is targeted by Area Agencies in each four-year planning cycle. The needs assessment is supposed to indicate the extent of need for supporting services, nutrition services, and multi-purpose senior centers. The resource inventory is supposed to indicate priorities, target efforts, and funding for the next planning cycle. The State regulations also require that, to the extent practicable, the range of service needs in the various parts of the area be quantified by the needs assessment. SOFA's procedures further state that a thorough needs assessment should produce an accurate estimation of unmet need.

During the year ended March 31, 2000, SOFA reported expenditures totaling \$233 million. About 27 percent of this amount (\$64 million) was funded by the Federal government, about 25 percent (\$56 million) was funded by New York State, and about 48 percent (\$113 million) was funded by localities. During this year, about \$11.2 million in expenditures was specifically related to transportation services for the elderly. These services included transportation for shopping, medical appointments, congregate meals, social activities, adult day care, and other such activities.

B. Audit Scope, Objective and Methodology

We audited SOFA's role in monitoring and overseeing the transportation services available to the elderly during the year ended March 31, 1999. The objective of our performance audit was to determine whether additional actions could be taken by SOFA in its efforts to ensure that the transportation needs of elderly citizens are adequately identified and addressed in the service plans developed by Area Agencies.

To accomplish this objective, we met with SOFA officials and officials at seven Area Agencies: Albany, Orange, Putnam, Rensselaer, Schoharie, Suffolk, and Westchester County Offices for the Aging. We selected these Area Agencies because, in their annual service plans, they reported significant expenditures for transportation services and stated that transportation was a high priority unmet need. We also observed transportation services provided to the elderly by selected contractors in Suffolk and Westchester Counties, and sent questionnaires to 57 transportation providers under contract with the Area Agencies for these two counties. We did not verify the information contained in the responses to our questionnaire. In addition, we reviewed the current four-year service plans for the 58 Area Agencies outside New York City. We excluded New York City from our review because of the high concentration of transportation services already existing in this area.

We conducted our audit in accordance with generally accepted government auditing standards. Such standards require that we plan and perform our audit to adequately assess those operations which are included within our audit scope. Further, these standards require that we understand SOFA's internal control structure and its compliance with applicable laws, rules and regulations that are relevant to the operations which are included in our audit scope. An audit includes examining, on a test basis, evidence supporting transactions recorded in the accounting and operating records and applying such other auditing procedures as we consider necessary in the circumstances. An audit also includes assessing the estimates,

judgments, and decisions made by management. We believe that our audit provides a reasonable basis for our findings, conclusions, and recommendations.

We use a risk-based approach to select activities for audit. We therefore focus our audit efforts on those activities that we have identified through a preliminary survey as having the greatest probability for needing improvement. Consequently, by design, we use finite audit resources to identify where and how improvements can be made. We devote little audit effort to reviewing operations that may be relatively efficient or effective. As a result, we prepare our audit reports on an “exception basis.” This report, therefore, highlights those areas needing improvement and does not address activities that may be functioning properly.

C. Results of Audit

We conclude that, in order to identify and prioritize unmet transportation needs among the elderly as intended, SOFA must provide additional guidance to the Area Agencies to ensure that the methodology used to perform the needs assessment produce a meaningful and useful estimate of unmet needs. In addition, SOFA should monitor the Area Agencies more closely to ensure the accuracy and reliability of the data they provide.

1. The Extent of Unmet Need Is Not Documented

SOFA has issued procedures to guide the Area Agencies in developing their service plans. According to these procedures, the needs assessment conducted by the Area Agency should be thorough. Specifically, they should determine the extent of need for services and the degree to which existing public and private programs do not meet such needs. These determinations should be supported by data. To determine whether the needs assessments relating to transportation services were thorough, we reviewed the four-year service plans in effect for the period 1996-2000 for the 58 Area Agencies outside New York City.

We found that the needs assessments generally were not as thorough as they could have been, as most of the Area Agencies prioritized their needs without the benefit of hard data. For example, 46 of the 58 Area Agencies listed transportation as one of their highest priority unmet needs, with 22 Area Agencies ranking unmet transportation needs as first or second in priority. However, none of the Area Agencies quantified the magnitude of their unmet needs (e.g., by estimating the number of seniors who were unable to obtain the services they needed, and how often the needed services were unavailable), or provided any other details indicating the extent to which the needs were not met.

In the absence of data quantifying the magnitude of unmet needs, and in the absence of details indicating the extent to which needs are not met, SOFA is less likely to identify the needs that are most critical to address and the programs that are most deserving of its scarce resources.

To determine the basis for the transportation needs identified by the Area Agencies in their four-year service plans, we visited seven Area Agencies that ranked unmet transportation needs as first or second in priority: the Albany, Orange, Putnam, Rensselaer, Schoharie, Suffolk, and Westchester County Offices for the Aging. We found that unmet transportation needs may not have been critical in five of the seven counties, as officials in those five counties told us that, as far as they knew, no senior citizens had been denied transportation services and every senior who requested such services was being served under the existing programs. However, Albany County officials assumed there were unmet needs but could not identify specific cases. Only in Westchester and Suffolk Counties did officials indicate that there were areas in which they could not meet all the current demands.

SOFA officials do not know whether there is any basis for the unmet transportation needs claimed by Area Agencies, because the plans submitted by the Area Agencies are not required to include details in support of the needs. In addition, SOFA staff do not monitor the development of the plans to confirm that supporting data is obtained.

To obtain more information about the unmet transportation needs in Suffolk and Westchester Counties, we sent a questionnaire to selected transportation contractors in the two counties. We sent our questionnaire to 23 of the transportation providers under contract with the Suffolk County Area Agency; and to 34 of the providers under contract with the Westchester County Area Agency. We received 17 responses and 19 responses, respectively. We did not verify the information contained in the responses. Following are examples of the unmet needs that were identified by the providers:

- ! Seven providers in Suffolk County responded that they were unable to serve all the seniors who requested services, and together these seven providers were maintaining waiting lists for more than 700 seniors who had requested transportation to such activities as shopping, medical appointments, congregate meals, recreation and social activities, and adult day care.
- ! Ten providers in Suffolk County indicated that, due to a lack of vehicles or drivers, they had turned down requests for transportation services a total of 4,078 times during the fiscal year ended March 31, 1999. We note that 1,055 of these requests reportedly related to medical appointments.
- ! Two providers in Westchester County reported that they maintained waiting lists for a total of 68 seniors. These seniors had requested transportation to medical appointments and as part of a foster grandparent program.
- ! One provider in Westchester County reported that, at times, it could only provide transportation to medical appointments. As a result, some seniors had to find their own way home from the appointments.

We conclude that such questionnaires, along with supporting documentation, could be used by Area Agencies to quantify the magnitude of unmet transportation needs. We therefore recommend that data such as waiting lists which quantify senior citizens requests for services that are not available in sufficient quantity, or maps which highlight unserved or underserved areas, be used in the development of local service plans.

2. Unmet Needs Are Not Identified in a Consistent Manner

We also evaluated the processes used by the seven Area Agencies we visited in developing their service plans.

We identified certain weaknesses and inconsistencies in the methods used by some of the Area Agencies to identify unmet transportation needs. For example, in Westchester and Orange Counties, Area Agency officials send a survey to senior citizens inquiring whether certain services have ever been needed or will be needed within the next four years. The services selected by the most seniors are given the highest priority. However, this process does not take into account whether a need is already being met by the Area Agency. As a result, the Agencies are prioritizing total needs instead of quantifying the unmet portion.

In addition, officials for the Albany County Area Agency told us that, when they estimate the need for transportation services, they include an estimate for an additional number of seniors who would use the services if they knew the services were available. Accordingly, even though the Albany County Area Agency can fulfill almost all requests for transportation services, the officials list transportation as a priority unmet need in their service plan.

We therefore conclude that, if service plans are to be developed in a consistent and meaningful manner by the various Area Agencies, SOFA must provide guidance by defining how to determine need for planning purposes. At a minimum, SOFA should instruct Area Agencies to take into account the extent to which a need is met, and to consider actual unmet needs for services senior citizens would use, if available. These actions should assist SOFA officials in their efforts to evaluate priorities and allocate limited funding.

Recommendations

1. *Monitor the development of local service plans to ensure that data is obtained in support of the unmet needs identified in the plans and is used to quantify, to the extent practicable, these unmet needs.*
2. *Ensure that unmet needs are identified in a consistent and meaningful manner by the Area Agencies. To help ensure this, provide a more specific definition of unmet service needs and instruct the Area Agencies to prioritize actual unmet needs.*

We provided a draft copy of this report to SOFA officials for their review and comment. Their comments have been considered in preparing this final report, and are included as Appendix A. SOFA officials agreed with our recommendations and indicated that they are in the process of implementing them.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Director of the State Office for the Aging shall report to the Governor, the State Comptroller and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons therefor

Major contributors to this report were Walter Mendelson, Aaron Fruchter, Peter Blanchett, Anil Watts, and Hugh Zhang.

We wish to thank the management and staff of SOFA and the Area Agencies we visited for the courtesies and cooperation extended to our auditors during this audit.

Very truly yours,

William P. Challice
Audit Director

cc: Cynthia Marshall
Charles Conaway

George E. Pataki
Governor
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Director



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August 23, 2000

Mr. William Challice
Audit Director
Office of the State Comptroller
123 William Street, 21st Floor
New York, NY 10038-3804

Dear Mr. Challice:

The audit recently conducted by the Office of the State Comptroller, 98-S-35, focuses on the growing need for transportation services for older New Yorkers. For more than thirty years, the Aging Network in New York State has responded to these needs and has made a significant commitment to providing transportation services. During the period of this audit, for example, the Network provided over 2.5 million one way trips for seniors.

Despite this significant commitment of resources, the demand for services has outstripped funding in many communities and our Network has to make tough choices about how monies are used. To make these tough choices, our Network must have reliable information about unmet needs in each planning and services area. Thus, the NYSOFA is in general concurrence with the recommendations made in the Draft Audit Report about the need to improve and enhance the needs assessment process through which area agencies on aging (AAAs) identify and quantify unmet needs for transportation and other vital services.

NYSOFA's responses to the specific recommendations shown on page 5 of the draft audit report are as follows:

Recommendation #1. Monitor the development of local service plans to ensure that data is obtained in support of the unmet needs identified in the plans and is used to quantify, to the extent practicable, these unmet needs.

NYSOFA is prepared to take several steps to address this recommendation. First, the Office will share copies of this audit report with AAAs to highlight the concerns that have been raised

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Mr. William Challice

August 23, 2000

by OSC. Second, our Office will prepare written guidance for AAAs on methods for obtaining data to identify and quantify unmet needs. Lastly, the development of documents for 2004-2008 will begin in 2002. During the development of the Four Year Plans for this next planning cycle, NYSOFA personnel will work with individual AAAs to support and encourage expansion of needs assessment activities.

Recommendation #2. Ensure that unmet needs are identified in a consistent and meaningful manner by the Area Agencies. To help ensure this, provide a more specific definition of unmet service needs and instruct the Area Agencies to prioritize actual unmet needs.

The instructions for the 2004-2008 planning documents will be expanded and strengthened to clarify what is meant by unmet need and to indicate that actual unmet needs should be prioritized as part of the planning and decision-making process at the local level.

Thank you for sharing your working draft of the audit report. If you have any questions about our comments on the OSC findings, please call Cynthia Marshall at (518) 474-7706.

Sincerely yours,



Walter G. Hoefler
Director

CC: Patricia P. Pine, Ph.D.
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