



KANSAS LEGISLATIVE

**DIVISION** *of*  
**POST AUDIT**

# REVISING OUR WRITING PROCESS

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Legislative Post Auditor

December 5, 2019



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## Overview

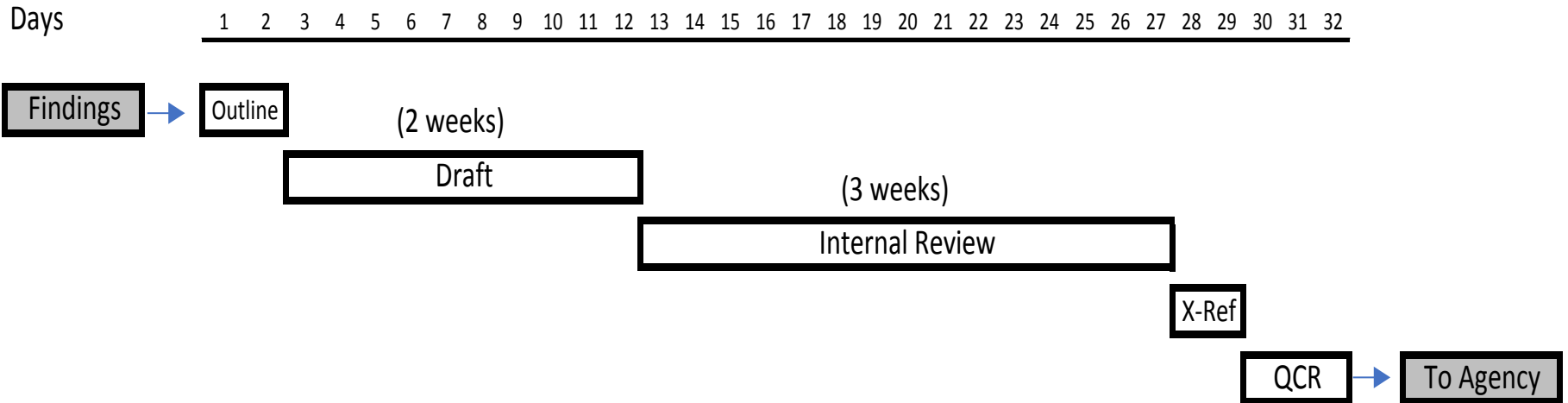
- ▶ Old Writing Process
- ▶ Two Goals
- ▶ New Writing Process
- ▶ How We Did It
- ▶ The Results



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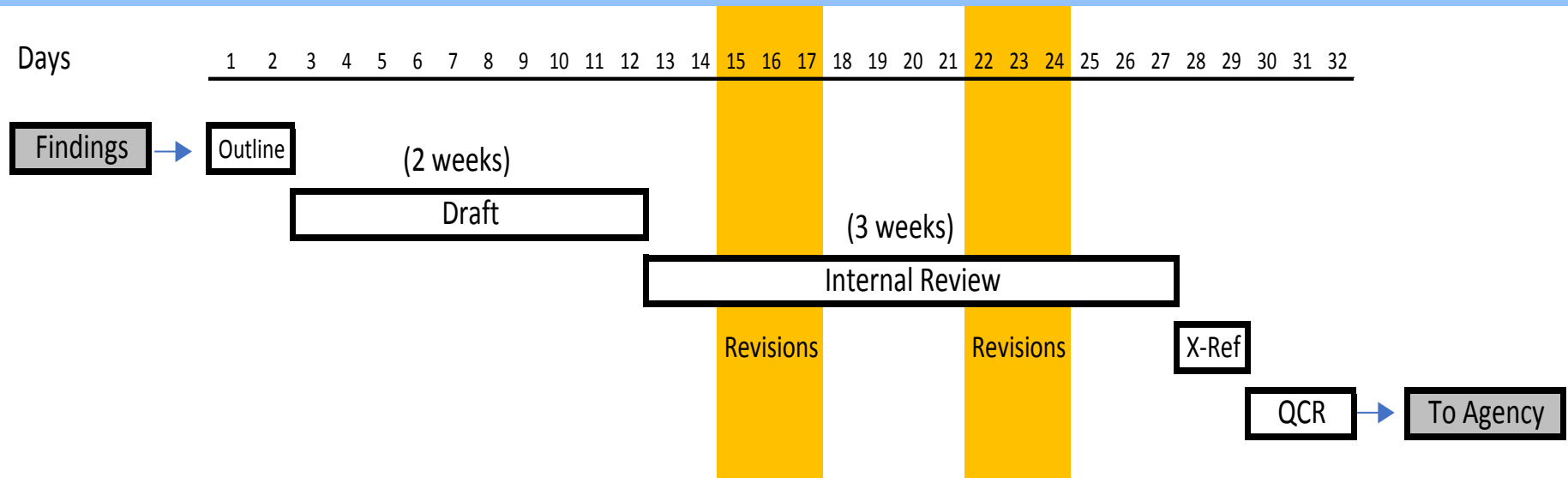
# Old Writing Process

Typically a 6 ½ week process.





- ▶ Revisions especially brutal (2 rounds)
- ▶ Internal review 150% draft development



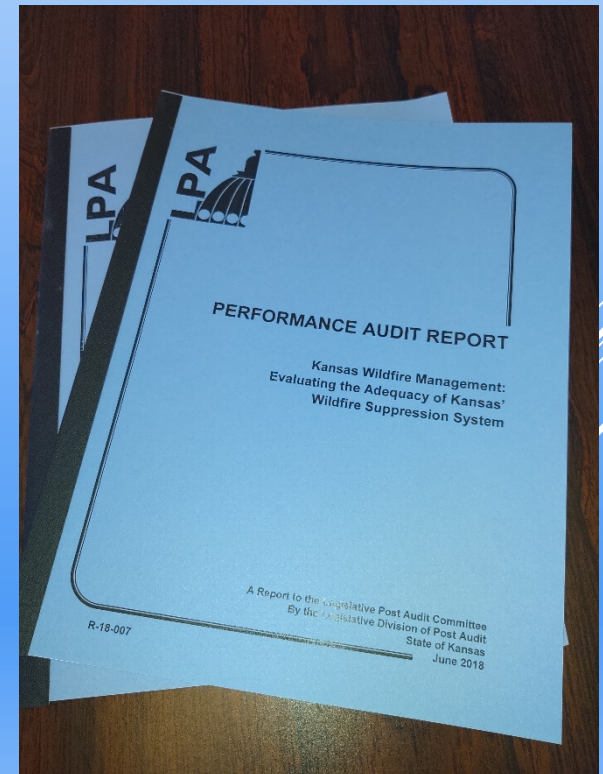


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## Old Writing Process

- ▶ Often cited as **least favorite** part of the job.
- ▶ Our reports looked a lot like a **book**.
  - ▶ Reports averaged 40 pages
  - ▶ Included:
    - ▶ my signature
    - ▶ table of contents
    - ▶ figures list
    - ▶ introduction
    - ▶ overview
    - ▶ report body
    - ▶ agency response
    - ▶ appendices

Real Life  
Examples!





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## Old Writing Process

Our concerns...

- ▶ We spent a lot of time printing & binding them.
- ▶ They were hard to read on mobile devices.
- ▶ They didn't allow us to use audio or video.
- ▶ They were very **complicated** to design.



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## Old Writing Process

The **complicated** design caused other problems:

- ▶ It took tons of time to develop a report.
- ▶ It was subject to a lot of human error.
- ▶ It required constant vigilance.



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# Old Writing Process

We had to  
manually create  
a table of  
contents

## Table of Contents

|   |    |
|---|----|
| Introduction .....  | 1  |
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## Old Writing Format

We had to manually  
apply numerous font  
styles (8 shown here)

### 1 Question 1: What Does it Cost School Districts to Provide Special Education and Related Services?

- 2 *If staffed at recommended levels, we estimate it would cost special education organizations in Kansas between \$940 million and \$1.2 billion to provide special education and related services annually. The amount organizations spend on special education can differ from the cost to provide those services (p. 9). We built a model to estimate how much it would cost organizations to provide required special education services (p. 10). If staffed at recommended levels, we estimate it could cost between \$940 million and \$1.2 billion annually to provide special education and related services—which exceeds current spending by \$41 million to \$361 million (p. 12). However, it may be difficult for districts to hire the number of staff suggested in our model because of current teacher shortages (p. 16).*

#### 4 *The Amount Organizations Spend on Special Education Can Differ from the Cost to Provide Those Services*

5 Under state and federal law, school districts must provide all special education services a student needs, as determined by the Individualized Education Plan (IEP) team. Both state and federal law require districts to provide services to exceptional students (in Kansas, exceptional children include both students with disabilities and gifted students). State and federal law also require districts to have an IEP in place for each exceptional student. A student's IEP is developed by a team of individuals, which must include at least one parent, one special education teacher, one regular education teacher, a representative of the school district, and someone qualified to interpret evaluation results (typically a psychologist). This team is responsible for setting appropriate and measurable goals for the student and must determine what services the student needs to meet those goals. Special education organizations must provide these services regardless of the cost to the organization.

6 The cost of providing special education services can differ from the amount an organization spends. In this report, we use the term cost to describe all of the resources (e.g. staff, materials, building space, transportation, etc.) needed to provide required special education services. This is very different than expenditures, which we use to describe what special education organizations actually spent to provide services. Costs can differ from actual expenditures for two primary reasons:

- 7 • Inefficient use of resources can result in expenditures that are greater than costs. For example, if a district relies on inefficient bus routes to transport special education students, the amount spent on transportation would be greater than actual resources required.



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## Old Writing Process

We often created  
appendices filled  
with data tables...in  
PDF format

### APPENDIX D

#### Total and Per-Student Cost Estimates by Special Education Organization

This appendix shows the total and per-student cost estimate for both the low and high end of our cost model. For interlocals and cooperatives, the cost shown is the total cost for the interlocal or cooperative and any costs incurred by the member districts. For example, it is typically a district's responsibility to make any necessary modifications to a school building (building ramps, widening doorways, etc.) even if the district belongs to a cooperative or interlocal. However, in our model costs associated with that activity are included in the interlocal or cooperative's total.

| Appendix D<br>LPA Special Education Total and Per Student Cost Estimates<br>School Year 2018 |                    |                  |             |                   |             |
|--|--------------------|------------------|-------------|-------------------|-------------|
| #  | Organization Name  | Low End Estimate |             | High End Estimate |             |
|  |                    | \$ (millions)    | Per Student | \$ (millions)     | Per Student |
| 202  | Turner-Kansas City | \$6.0            | \$10,475    | \$7.7             | \$13,330    |
| 207  | Ft Leavenworth     | \$3.2            | \$10,966    | \$4.0             | \$13,575    |
| 229  | Blue Valley        | \$40.4           | \$10,159    | \$50.6            | \$12,722    |
| 230  | Spring Hill        | \$8.7            | \$11,058    | \$10.4            | \$13,293    |
| 231  | Gardner Edgerton   | \$12.0           | \$10,873    | \$15.3            | \$13,917    |
| 232  | De Soto            | \$8.9            | \$10,631    | \$11.7            | \$13,962    |
| 233  | Olathe             | \$53.8           | \$10,778    | \$67.8            | \$13,593    |
| 234  | Fort Scott         | \$3.4            | \$10,842    | \$4.6             | \$14,366    |
| 259  | Wichita            | \$89.4           | \$10,773    | \$114.2           | \$13,763    |
| 260  | Derby              | \$13.8           | \$10,332    | \$16.5            | \$12,365    |
| 261  | Haysville          | \$11.0           | \$10,880    | \$14.6            | \$14,420    |
| 263  | Mulvane            | \$3.9            | \$11,478    | \$5.3             | \$15,507    |
| 290  | Ottawa             | \$4.7            | \$11,183    | \$6.5             | \$15,483    |
| 308  | Hutchinson         | \$11.7           | \$10,761    | \$14.4            | \$13,229    |
| 321  | Kaw Valley         | \$3.0            | \$10,359    | \$4.2             | \$14,504    |
| 330  | Mission Valley     | \$1.3            | \$11,806    | \$1.9             | \$17,274    |
| 345  | Seaman             | \$8.4            | \$11,392    | \$11.6            | \$15,756    |
| 353  | Wellington         | \$4.6            | \$10,953    | \$6.6             | \$15,613    |
| 372  | Silver Lake        | \$1.3            | \$12,520    | \$1.8             | \$18,055    |
| 383  | Manhattan-Ogden    | \$15.2           | \$10,623    | \$20.5            | \$14,296    |
| 389  | Eureka             | \$1.1            | \$12,481    | \$1.7             | \$18,852    |
| 407  | Russell County     | \$2.1            | \$10,667    | \$2.6             | \$13,418    |
| 409  | Atchison           | \$5.0            | \$11,017    | \$6.4             | \$14,052    |
| 417  | Archburn-Washburn  | \$11.1           | \$10,974    | \$16.0            | \$14,737    |



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## Old Writing Process

In summary:

We were spending a **ton of time**...

On a super **frustrating** process...

To create a **long** and **complicated** product...

That was becoming **increasingly antiquated**...

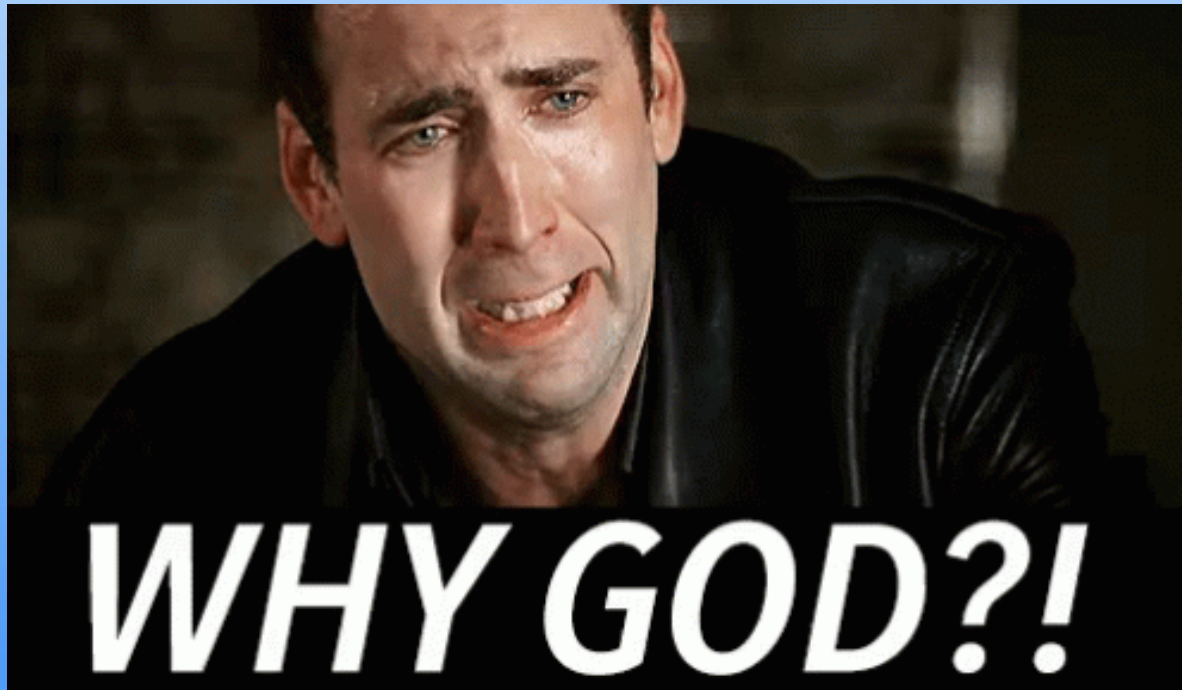
That very few legislators read front-to-back....



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## Old Writing Process





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## Two Goals

1. Move to **HTML** reports.  
(inspired by [Washington State JLARC](#))
2. Significantly **streamline** reports.



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## Two Goals

We wanted to move to **HTML** reports because:

- ▶ Easier to distribute.
- ▶ Easier to search.
- ▶ Can include links.
- ▶ Accessible on mobile devices.
- ▶ Can include video and audio.
- ▶ It's inevitable (IMHO).



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## Two Goals

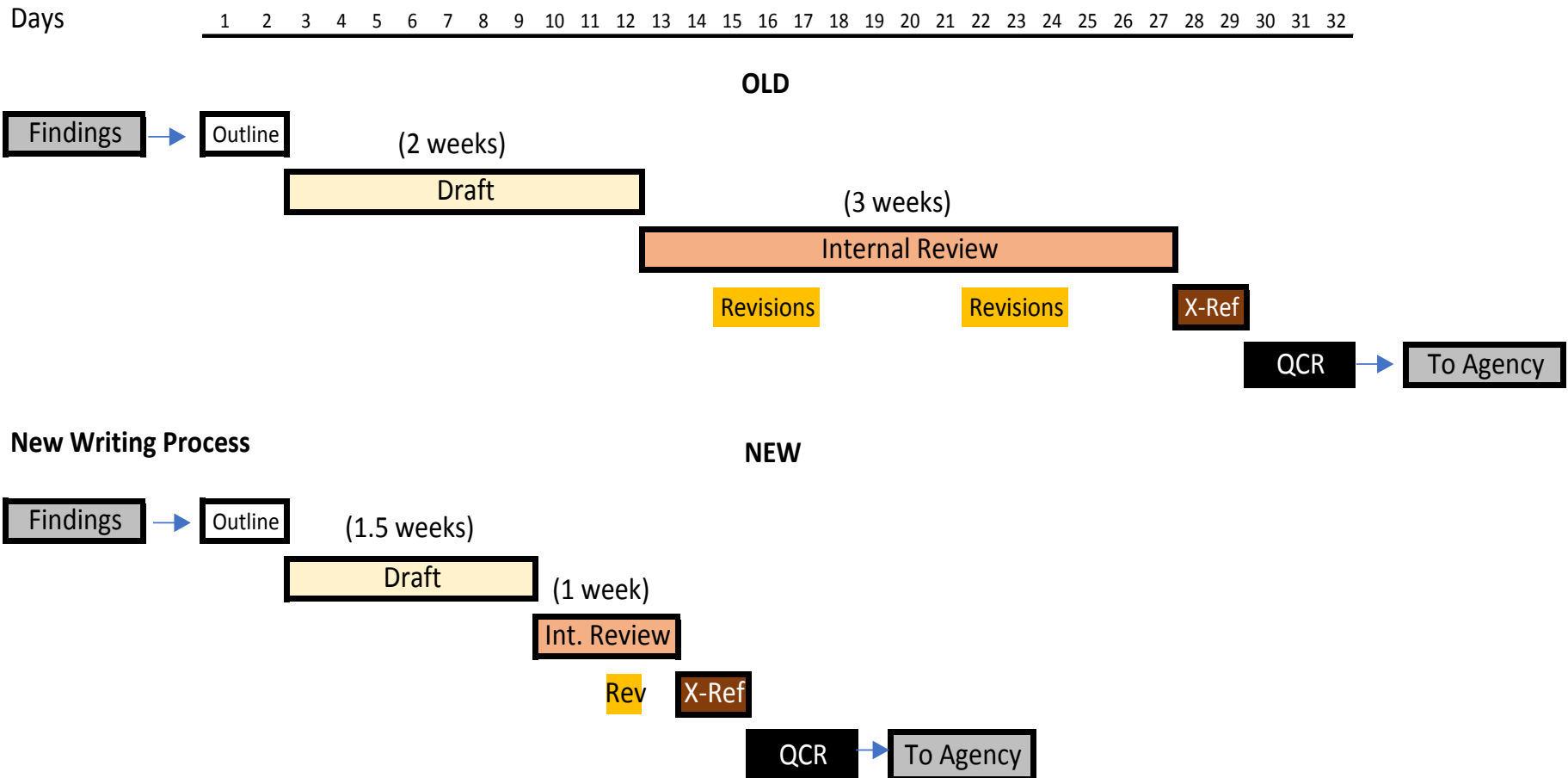
We also wanted to **streamline** our reports:

- ▶ To increase readership.
- ▶ To increase readership.
- ▶ To make HTML reports possible (i.e. small bites)
- ▶ To save time.
- ▶ To reduce frustration.



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# New v. Old Writing Process



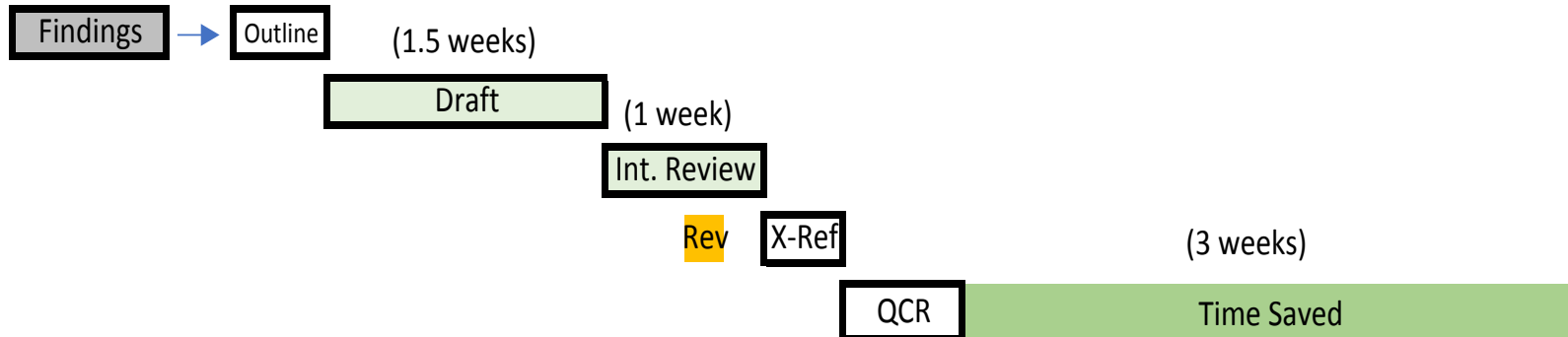




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## New v. Old Writing Process

- ▶ Now a 3 ½ week process instead of 6 ½.
- ▶ Some reduction in draft development (1/2 week).
- ▶ Significant reduction in internal review and revision (2 weeks).

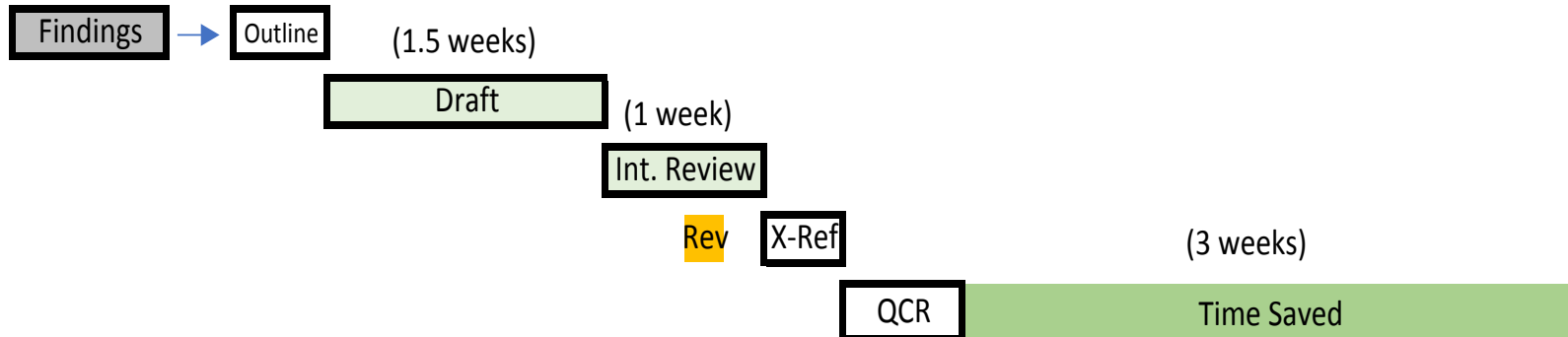




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## New v. Old Writing Process

- ▶ Initial feedback from supervisors **very positive**.
- ▶ Estimate ~3 weeks savings, or **45% reduction** in writing time.
- ▶ That's about **2 additional audits** every year (of ~12 annually).





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## How We Did It

Here's the most **important** steps we took:

- ▶ We committed.
- ▶ We outsourced the website stuff.
- ▶ We took some really big risks.
- ▶ We were willing to fail.
- ▶ We did fail.
- ▶ We kept trying.
- ▶ We kicked ass.



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## How We Did It

We also took several technical steps:

1. We aimed for **short stories** instead of a novel.
2. We put a **cap** on our content.
3. We simplified our **problem finding** layout.
4. We significantly **reduced background** information.
5. We **sacrificed** connected and eloquent narratives.



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## How We Did It | #1. Short Stories

Viewing our reports as a compilation of **short stories** helped us:

- ▶ Eliminate the table of contents and figures lists.
- ▶ Move to a bulleted report body format.
- ▶ Keep our language direct and simple instead of academic and sophisticated.
- ▶ Our average reading level dropped from 14 to 10.



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## How We Did It | #1. Short Stories

Viewing our reports as a series of short stories helped us simplify all sections of our reports...

Here's our **old** recommendation language:

1) To address management and oversight issues, DCF should continue with its current efforts to expand its capacity for data-driven decisions by:

1a) Conducting a full data needs assessment to determine:

1ai) the type of management data it would need to evaluate the overall capacity and performance of the foster care system, to help ensure children are placed in the most appropriate setting, and to help ensure their physical, mental health, and other needs are met.

Here's our **new** recommendation language:

Program officials should consider working with the Legislature to request an investigative inspector position.



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### How We Did It | #2. Capped Content

We **capped** our content by:

- ▶ Replacing an answer paragraph with an answer sentence.
- ▶ Using section headers instead of transition language.
- ▶ Using figures and tables only when really helpful.
- ▶ Limiting our supporting evidence to 2 – 5 bullets per thesis with between 1 – 3 sentences per bullet.



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## How We Did It | #2. Capped Content

Our new format looks like this:

Thesis →

**\$20.1 million (48%) of EDIF spending in fiscal year 2018 did not appear to relate to economic development.**

Bulleted  
Content

- The Legislature's broad intent is for EDIF funding to support and grow economic development in Kansas.
- However, the \$20.1 million the Legislature transferred to the State General Fund is likely not related to economic development. Because state general funds are further disbursed to fund many different state purposes, we could not determine whether the \$20.1 million transfer ended up being used for economic development purposes. Giving EDIF funds to specific programs is the only way to make sure they go toward economic development.





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## How We Did It | #3. Problem Finding Layout

We agreed to generally use a **standard problem finding layout** to simplify the writing process.

- ▶ Old writing process required finding elements...
- ▶ ...but no standard way to present them.



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## How We Did It | #3. Problem

Our finding sheets had a **standard** structure for problem findings:

1. Condition
2. Criteria
3. Cause
4. Effect
5. Recommendation

### A. Other Findings

**Finding 22: KDHE does not have adequate controls to validate the accuracy of MCO encounter data, which increases the risk state payments to the MCOs do not reflect actual Medicaid costs. (Problem Finding)**

Condition

- **Condition:** KDHE and their fiscal agent DNC check the MCO's encounter claims to ensure billed services and costs are allowable under the state's Medicaid rules. However, we were unable to find at KDHE or any other agency that ensures the amount the MCO's are reporting they paid is equal to the amount they paid the provider.
  - MCOs submit encounter data to KDHE monthly. MCOs self-report how much they paid providers for beneficiary services that month and submit it to KDHE as an encounter.
  - Ultimately, KDHE's actuary uses the encounter data to calculate upcoming capitated payments to the MCOs (capitated payments are payments made by the state to the MCOs per member per month). The actuary uses the encounter data to calculate the payments because they serve as a way to forecast how expensive members will be during the next six-month period.
  - We spoke to KDHE officials, KDHE's contracted actuaries, officials with the Attorney General's Medicaid Fraud Unit, and officials with the state's External Quality Review Organization to determine what, if anything, is done to ensure the encounter data accurately represents the MCOs' actual claims costs. None of the groups we spoke described a process to verify the self-reported encounter data matched MCOs' actual claims costs.
  - KDHE officials told us **it is unlikely** this to happen, MCOs would need to pay providers less than their contracted amounts. They said providers would be upset if this happened and would say something to KDHE. We do not think this is an adequate control. MCOs might encourage providers very small amounts, making it harder for providers to justify the time and resources necessary to appeal the claim. This would allow MCOs to report to KDHE that they paid provider the full amount. Also, we heard from stakeholders that inaccurate payments are an issue. Ultimately, relying on providers to alert KDHE of potential wrong data is different than KDHE having controls to monitor and help prevent the MCOs from doing wrong.

- **Criteria:** KDHE should have robust controls to minimize the risk an MCO could misreport or defraud the state. As a program involving many participants and large volumes of money (about \$4 billion annually), Medicaid is highly vulnerable to fraud from providers, beneficiaries and, in case of managed care Medicaid, from MCOs. There are many ways how MCOs can be defrauding or abusing the system, for example, MCOs have incentives to report higher counts of expenses as it will increase capitated payment for the next time periods.

Criteria

- **Cause:** **Weak management and oversight of the MCOs by KDHE.** CMS audit also found poor management and oversight of MCOs to be a big issue. Appears that MCOs have a lot of power and control over the state's Medicaid system, and the state isn't doing a lot to validate MCOs' actions.

Cause

**Lack of independent quality reviews.** KDHE staff, the actuaries, and other groups involved with handling the encounter data. They all said they don't validate the accuracy of the encounter **data** they told us one of these groups did. None of them realized that none of them were doing these checks.

**The KDHE Insurance General position was vacant from 2014 to 2018.** A position that could help with oversight of the Medicaid program remains vacant. As of 1/12/18, the position had been moved to the Kansas Attorney General's Office. The AG continued Sarah Fering for this position.

Consequence

- **Effect:** The state would be overpaying MCOs for Medicaid services that either did not occur or were less expensive than reported by the MCOs. If no one is checking the encounter data, then MCOs could overreport costs, either on purpose or in error, without anyone noticing. This would lead to capitated payments based on inflated and inaccurate cost data. Even tiny modifications to reimbursements (that may seem insignificant when evaluated in a vacuum) across many claims could add up to significant sums of money.

- To verify the accuracy of the MCO's encounter data, we compared a non-projectionable sample of 19 claims from providers against MCO encounter data in KDHE's internal cost data.

- Of the 19 claims we were able to review, we found 17 had billed/paid amounts that matched what was in the state's system. For the two claims that did not match, we did not identify evidence necessarily suggestive of wrongdoing.

- In one case, the amount the MCO reported it paid was **less** than what it actually paid the provider (our risk focus on MCOs reporting **more** than they paid the state, so this one is okay).

- In the other case, the amount the MCO reported it paid matched what it actually paid the provider. However, the billed amount was about \$45 less than what the provider reported. Although concerning, one main risk is that the paid amount reported to KDHE is less than the paid amount received by the provider. Although inconsistency between amounts billed is concerning, the MCO correctly reported how much it paid the provider to KDHE.

Consequence

- **Recommendation:** To help ensure encounter data reflects actual MCO costs, KDHE should develop a process to compare a sample of MCO submitted encounter claims to its medical provider claims.

**Finding 23: One MCO inappropriately included insurer payments in the encounter data it submits to KDHE. This may have inflated capitated payments to that MCO (Problem Finding).**

- **Condition:** State law requires MCOs to pay interest on claim claims that are unpaid after 30 days. In total, MCOs have paid about \$1.7 million in interest on late claims from 2014



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## How We Did It | #3. Problem Findings Layout

But when we transitioned into our reports, the results were consistently much more **artistic (chaotic)**.

1. Condition

2. Criteria

4. Effect

1. Condition

3. Cause

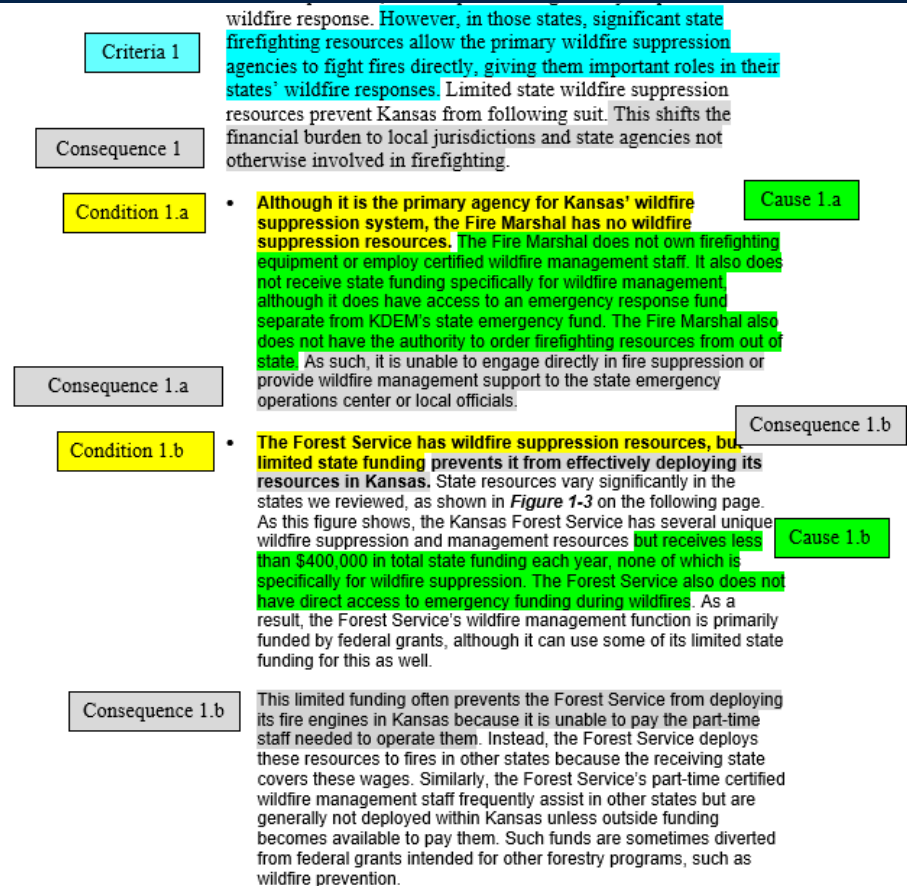
4. Effect

1. Condition

4. Effect

3. Cause

4. Effect





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## How We Did It | #3

Our reports now follow the same structure as our findings sheets.

1. Condition
2. Criteria
3. Cause
4. Effect
5. Recommendation

The Department of Administration still did not have sufficient guidance or processes to help agencies identify and sell surplus property, as required by state law and identified in our 2012 audit.

- K.S.A. 75-6609 requires the Secretary of Administration to develop criteria to identify surplus real property, guidance on how to sell surplus property, and to have staff periodically review state owned property to identify potential surplus.
- Department of Administration officials did not have sufficient guidance or processes to address these requirements. Our 2012 audit of surplus property found that the Department of Administration did not comply with these requirements. We followed up with current Department of Administration officials to determine whether these issues were addressed.
  - Officials told us they still had not developed criteria to identify surplus property.
  - Officials provided us with current guidance on how to sell surplus property. However, officials told us the current guidance was not yet available to state agencies. Only an outdated version of the guidance was available at the time of this audit.
  - Officials told us they did not have a formal process to periodically review state property to identify potential surplus.
- A lack of guidance and formal review processes could cause the state to miss potential revenue from the sale of surplus property and creates a risk that agencies do not comply with the statutory requirements.
- Department of Administration officials were not sure why this guidance and review process were not in place but agreed they should be developed.



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## How We Did It | #3. Problem Findings Layout

Our new writing process follows our finding sheet structure.

- ▶ We sacrificed narrative *eloquence* for **simplicity**.
- ▶ We sacrificed ~~artistic~~ expression for **consistency**.



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## How We Did It | #4. Reduced Background

To reduce **background information**, we:

- ▶ Eliminated our overview section (~2-4 pages)
- ▶ Add background only when needed throughout the draft (~2-4 paragraphs).



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## How We Did It | #5. Scarified Narrative

One of the most important steps we took required no effort, but was very hard (at least initially).

- ▶ We had to **give up** our desire to develop eloquent, intricately connected, narrative storylines.
- ▶ And **accept** shorter, more abrupt, and less connected series of short stories.



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## How We Did It | Final Pros/Cons

### Some final **pros**:

- ▶ No need to create a highlights sheet (auto now)
- ▶ Podcasts now come standard with every audit
- ▶ Could help us streamline other parts of audit process in the future

### Some final **cons**:

- ▶ Still requires the same amount of fieldwork
- ▶ Our reports don't read as smoothly (but we don't think anyone cares)





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## The Results

| Average...                  | OLD | NEW |
|-----------------------------|-----|-----|
| Report Pages                | 40  | 17  |
| Reading Level               | 14  | 10  |
| Development Time (in weeks) | 6.5 | 3.5 |
| Podcasts                    |     | ✓   |
| Audio/Video Compatible      |     | ✓   |
| Mobile Device Friendly      |     | ✓   |
| Future Potential...         |     | ✓   |



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## The Results

Recent examples of our new reports:

- ▶ State Surplus Property
- ▶ Economic Development Initiative Fund (EDIF)
- ▶ Salary Study



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Questions or Comments?