



**New Jersey State Legislature  
Office of Legislative Services  
Office of the State Auditor**

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**EXECUTIVE SUMMARY**

**DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MENTAL HEALTH AND ADDICTION SERVICES  
INTEGRATED CASE MANAGEMENT SERVICES (ICMS),  
PROGRAM FOR ASSERTIVE COMMUNITY TREATMENT (PACT), AND  
INTENSIVE OUTPATIENT TREATMENT AND SUPPORT SERVICES (IOTSS)  
July 1, 2011 to September 7, 2016**

We found that the division's procedures for monitoring and evaluating the performance of the ICMS program were not adequate. Our review found the division did not establish specific regulations for the program, was not able to identify consumers receiving services, and found consumers that did not necessarily require case management services. We found the division's procedures for monitoring and evaluating the performance of the PACT program were adequate. In making this determination, however, we noted opportunities for improvement related to consumer terminations, psychiatrist hours, and hospital reduction reports. We found the IOTSS providers did not consistently meet their contracted level of service. Finally, we found the division was generally in compliance with licensing regulations, but noted a weakness related to the collection of licensing fees.

**AUDIT HIGHLIGHTS**

- The division has not established regulations for the ICMS program. Draft regulations have been in development since 2007 but have yet to be approved. As a result, the department has not been able to perform site inspections and license ICMS providers. Periodic inspections and licensing ensure that consumers are receiving appropriate services from qualified and trained staff in a safe environment.
- We question the use of state contract funds to provide unneeded ICMS services to consumers residing in psychiatric hospitals with no imminent discharge date.
- Our review found ICMS providers did not achieve their contracted level of service. In addition, the division has not established the procedures or performance measures necessary to evaluate the effectiveness of the ICMS program.
- PACT terminations were not timely resulting in payments for consumers not being served and possibly preventing other consumers from receiving services.
- Unverified hospitalization data is being used to measure the effectiveness of the PACT program.
- IOTSS providers did not achieve their contracted level of service.
- Licensing fees of mental health providers were not billed and collected as required by regulations. Fees totaling \$600,000 were not billed for fiscal years 2014 and 2015.

**AUDITEE RESPONSE**

The department generally concurs with our findings and recommendations.

For the complete audit report, click [here](#).