



Georgia Department of Audits and Accounts Performance Audit Division

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Why we did this review

The Crime Victims Compensation Program was identified as an audit subject by the Performance Audit Division in part because of its dependence on probation fees and our knowledge of problems associated with the collection of those fees. It was also selected because the program serves thousands of crime victims each year, many of whom may be in financial distress as a result of their victimization.

About Crime Victims Compensation

All states operate a crime victim compensation program that provides monetary assistance to victims of violent crimes. Federal grants require the coverage of certain victim/claimants and benefits, but allow for broader coverage at the state's discretion. The program covers crime-related expenses for medical care, counseling, funerals, crime scene cleanup, lost wages, and loss of financial support. Total benefits are limited to \$25,000 per claim. Georgia's program is housed within the Criminal Justice Coordinating Council.

Crime Victims Compensation Program

Additional measures would improve aid to victims and preserve compensation funds

What we found

The Crime Victims Compensation Program (CVCP) provides financial assistance to thousands of victims each year, but additional measures would allow staff to better serve victims and better preserve compensation funds.

CVCP must ensure that victims meet numerous eligibility requirements before making an award decision. Most decisions were consistent with state law and program regulations, but we found a limited number of cases in which victims in similar circumstances were treated differently. The inconsistencies were associated with particular crimes or uncertain victim behavior. Several policies or practices led to the inconsistencies, including insufficient written guidance for staff, a law enforcement questionnaire capturing limited information, and the lack of a quality assurance process.

CVCP processes claims containing all needed information in less than a month and encourages the timely processing of all claims. However, we found a preventable delay in the processing of claims that missed initial deadlines. While state law allows the program to waive the deadlines for reporting a crime and filing a claim if the victim shows good cause, the program denies these claims. But it then encourages victims to appeal the denial and approves virtually all appealed claims for processing. The appeal adds more than five weeks to the processing time, delaying any award made to the victim.

Georgia's compensation benefits and limits, which are set by statute, are less generous than its peer states. Certain transportation expenses are allowed in other states. Relocation and emergency assistance were also common in other peer states, though there are specific risks associated with providing these

benefits. CVCP has a limited ability to address changing victim needs because state law sets the benefits and limits. However, the program does have access to information regarding victim needs and compensation trends that should be communicated to state policymakers when warranted.

CVCP can save millions in medical spending without reducing the positive financial impact compensation provides to crime victims. While the program pays the full amount charged on medical bills, up to the per-claim limit of \$15,000, other states limit payments to rates similar to those paid by Medicare, Medicaid, or the state's workers' compensation program. Depending on the medical provider and service, Medicare rates can be a small fraction of the amount charged. In fiscal years 2013-2015, CVCP spent more than \$43 million on medical claims. In the other states, the providers that accept medical payments directly from the compensation program agree to recognize it as "payment in full."

At the same time, revenue from the probation fees used to provide compensation payments could be enhanced by improving communications with probation providers and the Department of Community Supervision. Evidence suggests that probation providers do not always remit the funds owed to CJCC. However, because state law does not provide CJCC with specific enforcement authority, it has taken limited actions to monitor these remittances.

We found that CJCC has not fully addressed specific risks posed by the operation of the program. CVCP obtains a significant amount of personal information from victims that must not be compromised, and like any claims processing program, it has the inherent risk of claim fraud. These risks are partly addressed by existing program practices but additional controls are needed.

What we recommend

To ensure consistent decisions, we recommend that CVCP document prior decisions, board directives, and input from the Attorney General's Office and use this information to refine program policies and procedures. We also recommend that CVCP not deny claims for missing deadlines without providing victims an opportunity to show good cause, either as part of the application itself or as an attachment.

To ensure victim needs are being met, we recommend that CVCP routinely use available information to determine whether program benefits—both categories and category limits—are sufficient. We also recommend that the General Assembly consider granting the Georgia Crime Victims Compensation Board limited authority to modify the benefits available to victims.

To better manage the Crime Victims Emergency Fund, we recommend that CVCP establish a fee schedule to limit medical payments to hospitals and other providers and that the General Assembly amend state law to require that providers that accept CVCP compensation to regard it as payment in full. We also recommend that CJCC analyze probation fee remittances and communicate indications of non-compliance to probation providers and the Department of Community Supervision.

We also recommend that CJCC formally assess the risks posed by the collection of information necessary to process claims and the risks associated with claim payments. The assessment should consider both external and internal threats. Methods to address the identified risks should then be implemented.

See [Appendix A](#) for a detailed listing of recommendations.

CJCC Response: CJCC management does not believe that the tone of the report properly describes the operation of the compensation program. It noted that while there are areas for improvement, CVCP is doing many things well. Regarding specific findings and recommendations, it agreed with many and reported that many areas for improvement are already being addressed. It disagreed with some recommendations, including the need to adopt a fee schedule for medical claims and recommendations related to benefit offerings. Specific responses are included at the end of each finding.

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Purpose of the Audit

This report examines the Crime Victims Compensation Program within the Criminal Justice Coordinating Council. Specifically, the audit answered the following questions:

- Does CVCP provide compensation for the range of services needed by crime victims?
- Does CVCP process claims in a timely manner?
- Do CVCP decisions ensure that victims are treated consistently?
- Does CVCP have controls to minimize the likelihood of fraud and waste?
- Does CVCP protect claimant information from inappropriate access?
- Does CJCC receive all Crime Victims Emergency Fund probation fees that are collected by providers?

A description of the objectives, scope, and methodology used in this review is included in [Appendix B](#). A draft of the report was provided to CJCC for its review, and pertinent responses were incorporated into the report.

Background

Crime Victims Compensation Program Overview

All states operate a crime victim compensation program and receive federal grant funding. The Victims of Crime Act of 1984 created the federal Crime Victims Fund which provides grants to state programs for victim compensation and local victims assistance. The victim compensation grant requires the coverage of certain victim/claimants and the provision of certain benefits, but allows for broader coverage at the state's discretion.

In 1988, the General Assembly created the Crime Victims Compensation Program (CVCP) to provide victims with financial assistance for crime-related expenses. CVCP allows victims who incur a financial loss as the result of a crime to apply for reimbursement of expenses such as medical care, funeral services, and lost wages. CVCP staff determine the eligibility of each claim and award compensation either to the victim's service provider or directly to the victim if he or she incurred out-of-pocket expenses.

CVCP is administered through the Victim Services Division of the Criminal Justice Coordinating Council (CJCC). CJCC is an executive branch agency responsible for coordinating efforts among the state's criminal justice agencies. Its separate grants division certifies, funds, and monitors local victims' assistance programs.¹

Victims learn about CVCP through sources such as law enforcement, court personnel, local victim advocates, and service providers. The Georgia Crime Victims' Bill of Rights requires law enforcement and court personnel to inform victims of the

¹ Not all state programs house victim compensation and victim advocacy in the same state agency. This arrangement allows Georgia's programs to share data and decision-making resources.

compensation program. Local victims' assistance agencies or service providers such as hospitals may help victims complete a CVCP application.

Program Eligibility

Not all crime victims are eligible for compensation through CVCP. Applicants must meet a variety of state and federal eligibility criteria. Key criteria are described below.

Victims:

- *Experience physical injury or death as a result of a crime, or*
- *Mental or emotional trauma from being threatened with or witnessing a crime, or*
- *Physical or mental/emotional injury from an attempt to aid a crime victim.*

Claimants:

- *Are spouse or dependents of a direct victim, or*
- *Individuals who assumed the cost of the victim's crime-related expenses.*

- **Victim or claimant** – Depending on the circumstances, eligible applicants may be crime victims or a claimant with some association to the victim (see box at left). Victims are not eligible for compensation if they were committing a crime, were on probation or parole at the time of the victimization for a felony crime that injured another, or committed actions that contributed to their injuries.
- **Location** – CVCP provides compensation for crimes that occurred in the state of Georgia, regardless of whether the victim is a Georgia resident. Georgia residents who are victims of a crime that occurs in another state must apply to that state's program, but Georgia residents may file for crimes that occur in another country that does not have a victim's compensation program.
- **Crimes** – State law requires CVCP to determine that a crime has occurred prior to issuing an award. O.C.G.A. § 17-15-2 defines crime as any offense "that has as an element the use, attempted use, or threatened use of physical force against the person or property of another." The definition also includes references to specific crimes that must be covered. State law does not require the capture or prosecution of an offender to issue an award. CVCP does not provide benefits to victims of property crime or suicide.
- **Reporting and filing** – Victims must report the crime to law enforcement within 72 hours of its occurrence and file a claim with the program within three years.² Reporting and filing deadlines can be extended if claimants demonstrate good cause for the delay.

Program Benefits

As shown in **Exhibit 1**, CVCP reimburses crime-related expenses in six benefit categories. A victim can receive a maximum of \$25,000 per claim, but each benefit category has a maximum amount. Benefit categories and limits are defined in state law.

Consistent with federal and state law, CVCP operates as the "payer of last resort." Benefits are not paid until the victim has exhausted other forms of aid such as private or public insurance, workers compensation, and annual/sick leave. Applicants sign agreements that compensation received from third parties, including restitution or legal settlements, must be used to reimburse the program for any payments it has awarded. If an offender has been identified, the program will initiate a request for restitution from the offender in the amount paid to the claimant.

² The filing deadline is one year for crimes that occurred before July 1, 2014.

Exhibit 1
CVCP Benefit Categories and Limits are defined by State Law

Benefit	Limit	Examples of Eligible Expenses
Medical	\$15,000	<ul style="list-style-type: none"> • Medical, chiropractic, hospital and dental bills • Prescriptions • Durable medical equipment and prosthetic devices
Loss of support	\$10,000	<ul style="list-style-type: none"> • Victim's wages paid to dependents of the homicide victim • Income lost when adult family violence offender is removed from the home
Lost wages	\$10,000	<ul style="list-style-type: none"> • Wages lost while recuperating from injuries • Wages lost transporting a minor victim to medical or counseling appointments
Funeral	\$6,000	<ul style="list-style-type: none"> • Funeral services and headstones • Transportation of the body
Counseling	\$3,000	<ul style="list-style-type: none"> • Mental health counseling sessions • Long-term treatment and accommodations
Crime Scene Sanitation	\$1,500	<ul style="list-style-type: none"> • Removal of blood, dirt, stains and debris from a crime scene • Reasonable out-of-pocket cleaning costs, equipment rental, and labor
Source: State law, CVCP documents		

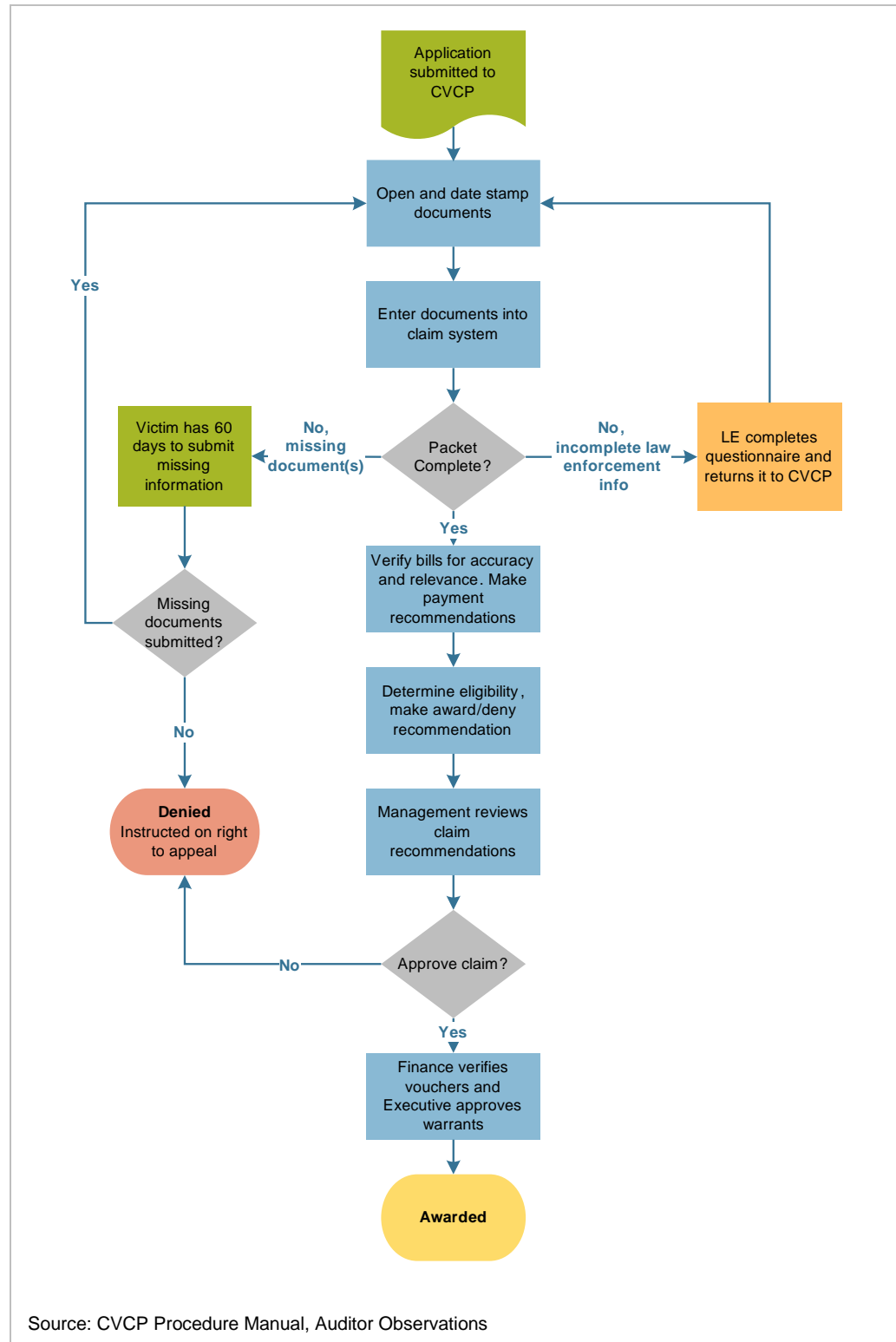
Claims Process

Exhibit 2 shows how CVCP processes victim compensation claims. Victims must submit a completed application, police report or incident report, and itemized bill before a claim can be processed. Once a claim submission is complete, CVCP verifies that the bills are valid, a crime occurred, and the victim meets other eligibility requirements. CVCP uses an electronic system to record claim information and track each claim's progress.³ Key staff involved in the claims process are described below.

- **Document processing specialists** (4 employees) – Open, date stamp, and research all claim-related mail to determine if it belongs to an existing claim in the claims system. New applications are organized in file folders and forwarded to the intake specialists along with all mail related to existing claims.
- **Intake specialists** (3 employees) – Create electronic claim records for new applications. All applicant data is entered into the claims system and assigned an initial claim status based on the completeness of the application packet. Intake specialists can deny claims for straightforward issues such as clearly ineligible crimes (e.g., property crimes) or missed deadlines. They may also request additional law enforcement information.

³As mentioned in later findings, the claims system was replaced in August 2016.

Exhibit 2 Claims Process Requires Complete Application Packets



- **Program advocates** (3 employees) – Assist victims in various ways to keep applications moving through the claims process. Advocates contact victims, providers, law enforcement, and other parties as necessary to collect missing documentation required for claims processing.
- **Verification specialists** (3 employees) – Contact providers to verify itemized bills and determine whether expenses are related to the crime. Verification specialists make a payment recommendation for each bill after confirming the balance due.
- **Claims investigators** (7 employees) – Make recommendations to award or deny a claim based on a comprehensive review of all claim materials. Investigators assess compliance with program requirements, perform criminal history checks, and prepare an investigative summary to accompany the award recommendation.
- **Program managers** (2 employees) – Review the award/deny recommendations and make a final decision. Managers may send claims back to investigators with questions or corrections prior to approval. Once a decision is made, claims are sent back to the investigators to print the payment voucher or mail a denial letter.

The **Crime Victims Compensation Board** meets quarterly to hear appeals of denied claims. The 6-member board is a committee within the Criminal Justice Coordinating Council.

Financial and Activity Data

Victim compensation claims are paid from both the Crime Victims Emergency Fund (CVEF) and the federal Victims of Crime Act (VOCA) Compensation Grant.⁴ The fund's primary revenue source is a \$9 monthly fee assessed to all actively supervised Georgia probationers. Other CVEF revenue sources include parole fees, DUI fines, inmate wages, and unclaimed restitution. The VOCA grant pays state victim compensation programs 60% of the total amount of state funds paid to victims the previous fiscal year.

As shown in **Exhibit 3**, since fiscal year 2013 the funds available for victims compensation have declined. Revenue from fines and penalties have decreased. While federal grant funds have also decreased, the funding formula is unchanged. These funds fluctuate based on the amount of direct benefits paid using state funds and the amount drawn down by the program in a given year. The largest expenditure category—direct benefits—has remained relatively stable, but the portion spent on victim compensation has decreased from 100% in fiscal year 2011 to 83% in fiscal year 2015. Forensic medical examinations and forensic interviews were added as direct benefits from the CVEF in fiscal year 2012 and 2015, respectively. The addition of these claim types has contributed to additional CVEF spending in other categories as well, such as personal services and real estate rental.

⁴ CVEF also funds activities that are not part of the compensation program. Payments for forensic medical examination and forensic interviews totaled approximately \$3.2 million in fiscal year 2015. Funding for the Officer's Initiative and the DUI Memorial Fund account for less than 1% of direct benefits annually.

Exhibit 3
Victim Compensation Revenue and Expenditures, FY 2013-2016

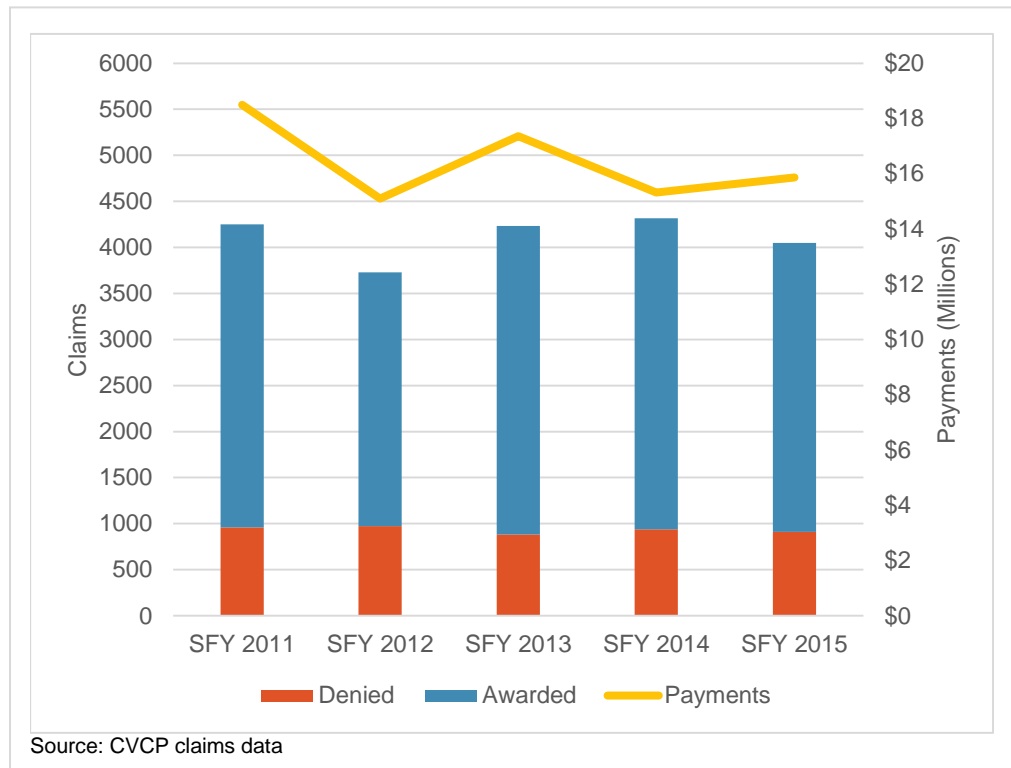
	2013	2014	2015	2016	% Change, FY13-16
Revenue – Crime Victims Emergency Fund					
Fines and Penalties	\$16,180,090	\$13,726,299	\$15,360,757	\$13,561,452	-16.2%
Other Revenue ¹	607,544	1,687,744	881,439	563,190	-7.3%
Interest	72,746	60,849	78,138	135,361	86.1%
CVEF Revenue	\$16,860,380	\$15,474,892	\$16,320,334	\$14,260,003	-15.4%
Revenue – Federal Grant					
VOCA Revenue	7,617,912	4,821,812	3,430,436	5,043,914	-33.8%
Total Revenue	\$24,478,292	\$20,296,704	\$19,750,770	\$19,303,916	-21.1%
Expenditures					
Direct Benefits	\$19,297,874	\$18,010,861	\$19,246,868	\$17,739,860	-8.1%
Personal Services	1,538,282	1,865,267	2,288,704	2,797,467	81.9%
Regular Operating	118,839	132,737	141,291	395,887	233.1%
MV Purchases			54,194		
Equipment	95,696	84,383	5,400	18,175	-81.0%
IT Expenditures	139,095	43,346	113,229	139,603	0.4%
Real Estate Rentals	102,127	103,552	109,573	198,691	94.6%
Communication Services	25,061	28,105	26,573	28,796	14.9%
Contractual Services	807,456	508,582	835,433	1,321,328	63.6%
Total Expenditures	\$22,124,429	\$20,776,833	\$22,821,266	\$22,639,806	2.3%
Carryover to Following Year²					
	\$50,442,411	\$50,263,296	\$47,180,034	\$43,683,140	-13.4%

¹ Other revenue includes refunds, restitution and subrogation
² FY16 carryover to following year is CJCC's reserve request and could change due to accounting adjustments

Source: TeamWorks

Between fiscal year 2011 and 2015, CVCP processed an average of 4,116 compensation claims annually with an average annual payout of \$16.4 million. As shown in Exhibit 4, the number of claims processed has been relatively stable.

Exhibit 4
Claims Processed have been Relatively Stable



Findings and Recommendations

CVCP can take steps to substantially reduce medical payments and ensure that victims are not subject to balance billing.

Medical costs make up the majority of CVCP compensation payments, but the program has not instituted a key method to ensure that the medical charges are reasonable. A more systematic review of bills and the adoption of a fee schedule would likely result in significant savings. To protect crime victims, the program would need to ensure that providers accept the funds as payment in full.

Pre-Payment Review to Reduce Medical Spending

Medical claims are a significant portion of CVCP activity. For fiscal year 2013-2015 claims,⁵ medical payments represented almost 85% of compensation payments (\$42 million of \$50 million). More than 80% of paid claims included medical bills. The program caps medical payments at \$15,000 per claim, limiting spending on high-balance claims. However, only 5% of medical claims reach the benefit limit.

While the program limits total payments on medical claims, it has not implemented common cost controls for the payment of individual bills. The program pays the full charge listed on each medical bill, even though these “sticker prices” are significantly higher than the amounts typically paid by patients or providers. Numerous reports have stated that listed charges are unrelated to the amounts paid by insurers, either private or public. The actual amounts paid by private insurers vary from provider to provider and insurer to insurer, and insurers may even negotiate different rates for different policies served by the same provider. These negotiated rates are not made public, but estimates are as low as 10%-50% of the listed amount. One economist estimates that private insurers pay less than 50% of billed hospital charges. Rather

than negotiate rates with providers, public insurers set rates for all providers based on specific formulas. Government entities that pay healthcare benefits often base their payments on these established “fee schedules.” For example, Georgia’s State Board of Worker’s Compensation uses a fee schedule based on Medicare payment rates.

The five peer states we spoke with each use a payment rate based on a fee schedule as a tool to manage payments. In New Jersey, bills from uninsured victims are reviewed by a third-party vendor to determine if they are “reasonable and customary”. The vendor ensures that the billed services are consistent with and appropriate for the diagnosis and then adjusts the charges with the program’s fee schedule. The vendor is paid a percentage of the savings it identifies. In its fiscal year 2015, medical payments were reduced by \$1.9 million and the vendor was paid approximately

Victim Focus: Avoiding “Balance Billing”

Georgia’s Constitution and CVCP law specifically mention relieving crime-related financial burdens as a key purpose of the compensation program. Therefore, the program must ensure that any cost-cutting measures do not shift that burden back to the victim. Some health care providers use “balance billing” to recover the difference between the provider’s charge and the payer’s allowed amount.

*Unlike CVCP, each of the five state programs we interviewed requires providers to accept the identified compensation amount as **payment in full**, so that victims are not responsible for any remaining balance. In some states, this provision is included in statute. Providers who do not accept the payment may pursue victims for the full billed amount.*

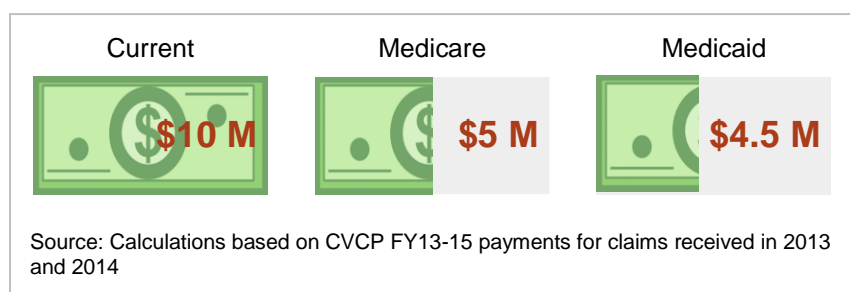
⁵ Payments on claims made through September 15, 2015. Additional payments would be expected after this date, especially for 2015 claims.

\$23,500.⁶ (By comparison, the program spent \$3.8 million on medical expenses). The amount of savings are largely dependent on the fee schedule adopted by the program. California's program uses Medicare reimbursement rates and both Texas and Florida use fee schedules consistent with Medicaid rates. Washington's program has established a fee schedule based on Medicaid rates, and medical providers have to register with the program and submit charges on standard medical forms.

CVCP spends approximately \$15 million annually on medical compensation but would save millions through the use of a fee schedule. Because most CVCP medical payments are to hospitals and hospital charges in particular are much higher than the amounts they expect to receive in payment, we analyzed potential savings on hospital payments. Savings on approximately \$10 million in hospital bills are estimated to be at least \$5 million (see Exhibit 5), when applying Medicare and Medicaid fee schedules and considering the impact of the medical benefit cap.⁷ It should be noted that 1) a fee schedule providing higher reimbursements than shown would still save significant funds, and 2) savings would also occur for other medical providers, such as physicians, pharmacies, and labs.

Exhibit 5

Fee Schedule Could Significantly Reduce Hospital Payments



The effectiveness of applying a fee schedule depends on two important considerations: 1) having the expertise to apply a schedule appropriately, and 2) ensuring that reducing medical payments does not negatively impact the victim being assisted.

- Reviewing and adjusting medical bills requires expertise that does not currently exist in the program. However, contracting out this service may be a reasonable alternative for a state agency. Like New Jersey's compensation program, Georgia's Department of Administrative Services uses a third-party vendor to review medical bills related to state employees' workers compensation claims. A brief internet search revealed dozens of companies offering similar bill review services.
- The program's mission in relieving crime victims' financial burdens related to medical expenses is greatly diminished if victims remain responsible for an

⁶ The proportion of savings relative to fees has increased over the term of the contract. In FY 2012, the NJ program paid approximately \$56,000 in fees for \$1.4 million in net savings.

⁷ Based on federal Medicare payment data and other research, we estimated Medicare at 28% of list price and Medicaid at 82% of Medicare in Georgia. The relationship between actual list price and rate paid vary by hospital and billed procedure. CVCP savings do not reach these levels because some large bills currently paid at the \$15,000 medical limit would still reach the limit with a fee schedule.

unpaid balance. All five state programs we spoke with require health care providers to accept crime victim compensation as payment in full.

Other Pre-Payment Review

Compensation costs are lowered by program efforts to ensure that bills are not the responsibility of other entities. Federal and state guidelines require the program to pay compensation only when other coverage has been exhausted. Federal law establishes victim compensation as the payer of last resort, after all other federal programs such as Medicaid. State administrative rules expand this directive to include exhausting payment from private insurance, employment benefits (e.g., paid leave), and government programs such as workers compensation. CVCP makes the following efforts to identify these third-party liabilities before making compensation payments:

- **Medicaid** – The claim application asks if the victim/claimant is covered by or eligible for Medicaid, but CVCP can no longer verify if a victim has Medicaid coverage. While CVCP previously had the ability to match victims and dates of service against the state's Medicaid enrollment records, the Georgia Department of Community Health (DCH) did not renew the program's access to that system in 2013. After an inquiry in August 2016, DCH officials stated that they would review the request again.

The CVCP application includes an authorization to obtain information from "any hospital, physician, medical facility, insurer..." and program officials already contact medical entities that have provided the actual treatment. Of the five state compensation programs we spoke with, three have access to Medicaid information.

- **Private insurance** – CVCP also asks about insurance coverage during the application process. When CVCP staff call medical providers to verify the bill, they also ask if the provider is aware of insurance coverage held by the victim. While CVCP relies on victim and providers to identify coverage, there are vendors that will identify any insurance coverage in force for a given service date. Of the five state programs we spoke with, only Washington has access to private insurance information. However, Georgia's Medicaid program contracts with one of these vendors to ensure it is the payer of last resort.
- **Employee benefits/workers compensation** – CVCP pays victims for lost wages net of any other source of payment, such as paid leave or medical benefits. Part of the documentation requirements to receive lost wages is an employer assertion that the employee's missed wages were not covered by paid leave.

Post-Payment Review

In addition to methods to limit cost before payment, entities that process claims may continue to manage costs after payments are made. Georgia's Medicaid program sends a list of all paid bills to a contractor that determines if any third-party coverage was in force on the date of service. Paying first before establishing the existence of third-party liabilities allows the program to ensure provider payments are not delayed while liability is being established. If another payer is identified as responsible for the charges, Medicaid seeks reimbursement. While it does no post-payment review of this kind, CVCP uses two actions to recover funds after payments have been made:

- **Restitution** – If an offender is found guilty of the compensated crime, the judge can require that the offender pay restitution to CVCP. When an award is made and an offender identified, the program sends a letter to the local prosecuting attorney or district attorney, asking for restitution if and when case is prosecuted.
- **Subrogation** – As part of the application process, the claimant must agree to repay the program if they later receive compensation from another source (e.g., civil suits, restitution, offender's insurance settlement). This requirement can be appealed if the victim has financial obligations, such as legal fees or ongoing medical expenses, which are beyond these third-party funds.

While CVCP employs these basic practices, program resources are primarily devoted to ensuring victims are eligible and making payments. Spending significant resources to track individual court decisions that may trigger restitution or subrogation attempts would be costly. It is unclear that additional efforts for post-payment recovery would be an efficient use of resources.

RECOMMENDATIONS

1. CVCP should establish a fee schedule to limit medical payments to reasonable charges. CVCP can use the existing Medicare or Medicaid fee schedule or use the schedule plus a percentage (e.g., 15%, 25%). Because the application of a fee schedule is beyond the expertise of current resources, CVCP should consider contracting with a third-party specialist to perform this service.
2. The General Assembly should amend state law to require providers that accept CVCP payments to regard them as payment in full.
3. CVCP should continue to work with DCH to obtain access to Medicaid eligibility data.
4. CVCP should consider a pilot project of checking dates of service against insurer coverage records. This would require the use of a vendor.

***CJCC Response:** CJCC does not concur with the finding and its recommendations. CJCC stated that “it is not a practical idea in our current environment and fails to take a victim centered approach. CJCC does not have the ability, knowledge, staffing, or statutory authority to require multiple hospitals and providers throughout the state and the country to accept certain negotiated rates. Furthermore, this could lead to providers accepting our payment as partial payment and harassing the victim for the balance of the bill. We simply cannot support an approach that, in effect, re-victimizes the very individuals we are attempting to serve.”*

CJCC also noted that a fee schedule would provide a “financial hardship” on rural hospitals and providers and that CJCC does not have the “proper staff, time, or funding” to overcome lobbying efforts in opposition to a fee schedule and the acceptance of payment as payment in full.

Finally, CJCC is concerned that victims would suffer from the recommendation. “Some of these providers will be faced with a decision concerning their ability to treat victims and accept the negotiated payment, similar to the decisions some have made in regard to treating Medicare and

Medicaid patients. It is a legitimate concern that such a fee schedule would lead to reduction in access to services for the very victims we are serving.”

***DOAA Response:** DOAA disagrees with the contention that the finding and recommendations fail to take a victim-centered approach.*

We recommend both a fee schedule and a requirement that payments from CVCP be accepted as “payment in full.” The program has already instituted a fee schedule for counseling, without a “payment in full” expectation. This leaves counseling victims responsible for the balance.

CVCP’s practices have left hundreds of victims potentially subjected to balance billing in recent years. The existence of a fee schedule—used by every other victim compensation program contacted—would allow the program to pay a greater portion of the medical bills submitted. For claim years 2013-15, over 1,300 medical claims exceeded the program’s \$15,000 limit. Nearly 400 of those medical claims were between \$15,000 and \$25,000. The use of even a relatively generous fee schedule would decrease many of the bills to below the medical limit. For example, an \$18,000 bill currently leaves the victim responsible for \$3,000. A fee schedule would result in no victim balance.

Regarding access to services, we question the relationship between treatment decisions and payments rates for this population. In nearly all cases, the victims have already obtained services prior to application to the program. In fact, a bill is required prior to deeming a victim eligible for benefits. We do not believe that hospitals (the primary recipient of medical payments) currently determine whether an individual’s injuries are crime-related, that the crime is covered by CVCP statute, and that the cost will be covered by the statutory limit before treating a patient.

CVCP can take steps to ensure more consistent treatment of claims when the compensability of the crime or the behavior of the victim is uncertain.

CVCP’s claim review process does not ensure consistent victim eligibility determinations when certain aspects of the claim are not immediately clear. The program does not have sufficient guidance for decision-making staff, including explicit policies and a compilation of precedents to guide future decisions. Our review of claim files found inconsistent victim eligibility determinations, specifically in the consideration of victims’ behavior and the presence of criminal physical force by offenders.

The General Assembly created the crime victim compensation program to aid innocent victims who suffer physically, emotionally, or financially as a result of a crime. State law (O.C.G.A. Title 17, Chapter 15) establishes eligibility criteria for those the program is intended to help, including circumstances when claims should be considered for award reductions or denials. As part of the award determination, staff review law enforcement documents to determine whether:

- A crime occurred;

"Inconsistency in decisions is fundamentally unfair to victims and claimants because each claim is entitled to the same consideration."

-Evaluating Behavior, Texas Crime Victim Compensation

- The victim's actions contributed to his or her injuries (if so, a reduced award may be made); and
- The victim cooperated with law enforcement.

During our file review, we found examples of victims in similar circumstances whose claims were treated differently. The inconsistencies were associated with the assessments of the crime and the victim's actions in a limited number of cases. In some cases, the claims were denied by the staff but overturned weeks or months later by the board. In other cases, the inconsistency involved the amount of work performed by the program in reviewing the claims, making it impossible to determine if the award decision may have been different with additional work. The inconsistencies are discussed below.

- **Definition of crime** – CVCP denies some claims solely based on the offender's charges or the crime listed in a police report and examines the circumstances of the crime only upon appeal. Claims based on offenses such as disorderly conduct, affray, and reckless conduct are denied compensation regardless of injuries sustained by the victim. As shown in **Exhibit 6**, the program has denied claims when victims of physical force had injuries resulting in medical bills of several thousand dollars.

Exhibit 6 Example of Victims in Similar Circumstances Treated Differently

	Claim 1	Claim 2	Claim 3	Claim 4
Incident	Victim was attacked and continued to be beaten after losing consciousness.	Victim was punched several times in the face after a dispute in a club.	Victim was punched and kicked by offender.	Victim was stabbed in the arm.
Medical Bills	\$7,000	\$7,000	\$18,000	\$14,400
Offender Charges	Disorderly conduct fighting and disorderly under the influence	Aggravated battery	Disorderly conduct	Aggravated assault
Award Decision	DENIED Overturned by board	AWARDED	DENIED No appeal	AWARDED
Source: CVCP claim files				

The program's method for identifying eligible crimes does not appear consistent with state statute. O.C.G.A. § 17-15-1 states the General Assembly's intent that assistance be provided to "innocent persons (who) suffer personal physical injury...as a result of criminal acts or attempted criminal acts." O.C.G.A. § 17-15-2 includes in the definition of a crime any offense containing the "use, attempted use, or threatened use of physical force against the person or property of another."

While CVCP denies these claims with a statement that the crime is not compensable, it may ultimately provide compensation if the victim files an appeal. As part of the appeal, staff considers the circumstances presented by

the medical documentation and law enforcement's incident description that were provided with the initial claim. As part of its referral to the compensation board, the staff may recommend that the board send the claim for processing. As a result, CVCP may pay the claim—weeks later and with no newly obtained evidence—for a crime previously deemed non-compensable.

- **Victim's contributory conduct** – Some claims examined during our file review contained suggestions of contributory conduct that did not appear to be considered. CVCP requested that law enforcement complete questionnaires in some cases when police reports indicated that the victim and offender were fighting. However, in other cases additional information was not requested.

In two cases when additional law enforcement information was not requested, CVCP approved the award despite information in the file indicating that the victims may have been partly responsible for their injuries. In a case in which the victim was stabbed, one witness indicated that the victim initiated the altercation. No other witness statement refuted that account. In a second case, the victim was driving when he spotted the offender and the two pulled into a parking lot. According to witnesses, the two began to fight after exiting their vehicles. The victim was winning the fight when he was shot by the offender. In both cases, the offenders were charged and the victims were not. However, the decision to charge or prosecute the victim is not a sufficient basis for determining that contributory conduct did not occur.

Policies and Practices Contribute to Inconsistency

Several factors contribute to the program's inconsistent practices and decisions. While program officials have indicated that compensation claims are often unique and do not allow for the creation of common guidance, we found that other states have created policies to enhance consistency of program decisions. A discussion of the areas to be addressed are below.

- **Policies lack meaningful guidance** – Program policies do not include sufficient guidance to encourage consistent consideration of complex eligibility decisions by staff. The CVCP policy manual provides detailed instructions for bill verification; however, its guidance is limited for assessing eligibility of crimes or victims' behavior. For example, the policy manual directs staff to ensure the victim did not contribute to the infliction of his or her injuries. The manual does not define contribution or provide further explanation of the factors investigators should consider in answering this question. The manual states that a law enforcement questionnaire is required when the three questions (crime, contributory conduct, cooperation) cannot be answered. But without guidance on the underlying factors considered, the manual does not ensure consistent requests for additional law enforcement information.

Other state compensation programs have instituted formal policies explicitly designed to promote consistent eligibility decisions. For example, noting that decisions about behavior are "innately subjective," the Texas compensation program has a 12-page policy dedicated solely to directing staff how to

evaluate victims' behavior. The document explains how award decisions vary depending on the victim's level of involvement, including situations when award reductions are more appropriate than denials. And like Georgia, New Jersey's statutory definition of compensable offenses includes an imprecise clause of "any other crime involving violence." But unlike Georgia, New Jersey's program has an internal operating procedure to define what constitutes "other" violent crime. Crimes not already listed in law must meet the following three standards to achieve eligibility:

- The person is a victim of a crime listed in the state's criminal code
 - The crime is not already listed in victim compensation statute
 - A violent act has been perpetrated against the victim
- **Overreliance on compensation board** – The program relies on the compensation board to make decisions better made by staff. As previously noted, claims for victims of certain crimes are denied by the staff and only processed for compensation if ordered by the board following an appeal.

Program staff stated that the board's decisions for similar cases can vary as its membership changes, suggesting that the board does not rely upon precedent. Given that the board convenes quarterly and has a changing composition, individual board members have limited exposure to compensation claims processing. By contrast, staff review thousands of claims annually and should be more knowledgeable of state law and its application to the varying circumstances encountered in claims.

Board guidance should be necessary only for circumstances not yet encountered by the program. These decisions should establish precedent for similar claims encountered by the staff in the future.

- **Inadequate documentation of institutional knowledge** – The program does not adequately document or compile guidance from the Attorney General's Office, board judgements, or management decisions in a manner that facilitates staff use in future eligibility decisions. For example, denying claims for victims of certain crimes is based on undocumented, informal guidance provided by the Attorney General's Office. Following undocumented guidance complicates efforts to comply with eligibility requirements that change over time. The definition of "crime" under the CVCP statute has changed six times since the program's inception. Program officials could not recall when the Attorney General's Office provided its instruction regarding ineligible crimes. Similarly, board precedents are undocumented and relayed via staff memory. Meeting minutes record the board's final decision for each claim, but do not document the rationale behind decisions or precedents established.

Knowledge gained from complex claims handled at the program level could be better leveraged to increase consistency of future decisions. For example, staff and management meet to determine eligibility of particularly difficult cases such as those involving contributory conduct. Results of these meetings are not used to update program policies that inform future decisions.

California's compensation program has an established process for updating policies and documenting precedents. Like Georgia, California's program staff and management meet to make decisions about complex claims. However, California documents those decisions to inform policy. Decisions may result in a policy proposal, which is reviewed and approved by an internal unit comprised of managers, advanced analysts, and legal staff. Precedents established by the board are published on the program's website with detailed documentation supporting the decision.

During a 2002 review, program staff said that law enforcement's definitions of contributory conduct and cooperation with law enforcement differed from that of the program.

- **Limited information required by law enforcement questionnaire** – The law enforcement questionnaire ([Appendix E](#)) is to be used when the program does not have adequate information to determine whether a crime was committed, the victim's conduct contributed to injuries, or the victim cooperated with authorities. However, the form allows law enforcement officials to make determinations without a clear understanding of the program's law or policies. It does not require a more detailed description of the incident that would allow the program to make an independent determination.

The questionnaire allows "yes/no" answers to the three questions listed above, and explanations are required in only some cases. For example, law enforcement is asked whether the victim contributed to their injuries. If "no," the official provides no further explanation. But the large number of officials across multiple jurisdictions who complete the questionnaire are likely to view "contribution" differently, given that program officials have acknowledged that the determining contribution can be subjective. A more appropriate questionnaire would ask multiple questions regarding the factors that the program may consider when judging contributory conduct (e.g., who initiated verbal altercation, the physical altercation).

- **No quality assurance process** – The program does not monitor claims to ensure consistent decisions. To date, quality assurance activities have been limited. While program management tracks productivity at various stages in the claims process and reviews award recommendations individually, it does not verify that award decisions are consistent across claims. According to program officials, the agency is working to establish an internal audit unit with a purview that includes the compensation program.

Some compensation programs in other states have robust quality assurance processes that emphasize continuous improvement. For example, California has a three-tiered system to ensure quality standards within each unit and for the agency overall. Claim recommendations are reviewed internally by supervisors, then by a post-processing quality assurance team. Post-processing results identify training opportunities and determine the likelihood of selection for future reviews. Full program-wide audits are also conducted to test and improve internal controls. Officials from the Florida compensation program noted the importance of documentation in justifying decisions to outside reviewers including auditors, quality assurance staff, and victims who dispute award decisions.

RECOMMENDATIONS

1. CVCP should develop policies and procedures that provide clear and complete guidance on how eligibility determinations are made.
2. CVCP should build a formal knowledge base using prior decisions, board directives, and input from the Attorney General's Office. Program management should use this information to refine program policies.
3. CVCP should amend the law enforcement questionnaire to ensure that it provides adequate information regarding the factors considered when determining eligibility.
4. CVCP should create a quality assurance process to monitor decisions for consistency over time. Factors considered in individual award decisions should be clearly documented. CVCP should ensure the new information system incorporates the ability to track key decision points and aggregate data that can be used to ensure claims processing consistency.

CJCC's Response: CJCC partially concurred with the finding but stated that the finding did not put the issue in the proper context. It stated that the finding contains "very broad statements laid out in the context of this section without specific examples. It seems as though a small sample size was used to project out issues over a very large population and we feel this section does not paint an appropriate picture of how we generally treat victims' claims." It stated that claims processing is consistent in many aspects. "For example, when adult victims/claimants have not submitted the documents needed, we consistently overturn the denial when the information was received and consistently advocate on behalf of victims during the appeals hearing. Likewise, we consistently close claims (rather than deny) for minor victims relying on adults to respond to our requests for additional information."

Regarding the consideration of crimes, CJCC stated that, "based on guidance from the Attorney General's Office, there are some claims that we refer to the Board due to the amount of discretion statutorily assigned to the Board."

Regarding the recommendations, CJCC concurred with 1, 2, and 4. It is working on a guidance document for "contributory conduct decisions and definition of crimes, updating our policy manual, and working with a new claims management system to track our claims and Board decisions." CJCC is in the "discovery phase" of integrating a formal knowledge base and additional quality assurances into the new claim management system. It is also considering an internal audit unit for the agency that would be pursued within the next year.

CJCC did not concur with recommendation 3 regarding amending the law enforcement questionnaire. It stated that "it is unclear what types of amendments are needed based on the report."

DOAA Response: Regarding the sample size, DOAA did not intend to project the issues to the entire population. As noted in the finding, the issues were associated with cases that indicated a certain crime type and cases in which the victim's behavior was in doubt. However, the relatively few cases that we identified led to the discovery of processes— inadequate written guidance, not documenting precedent/Attorney General Office guidance, etc.—that the program has agreed to address.

Regarding CJCC's following the Attorney General's Office advice on claims with certain crimes, the cases we reviewed were not referrals to the board. Program staff denied the claims, informing victims that the crimes were not compensable under the program's statute. Furthermore, according to our conversations with AG Office staff, the CJCC director (i.e., staff) and board have the same statutory authority to determine if a crime is compensable. Finally, CJCC officials stated that they received the unwritten guidance several years ago. The language in O.C.G.A. 17-15-2(3)(A)(ix), which appears to cover the types of crimes currently denied by the program, was rewritten in 2014.

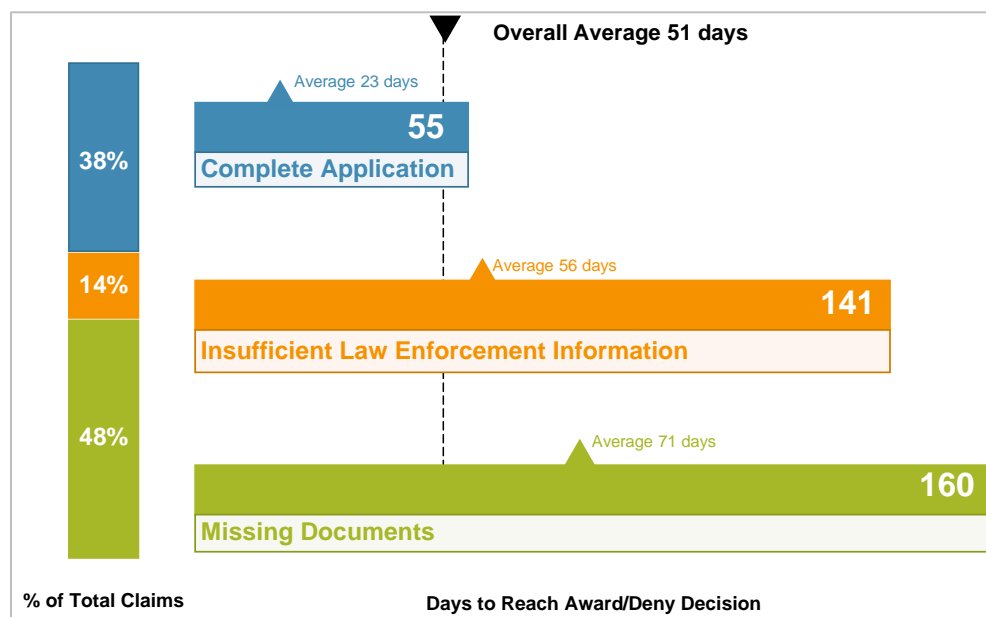
While timely claim processing is impacted by victim and law enforcement actions, there are steps the program can take to improve processing efficiency.

Although claims with complete information are processed in a timely manner, incomplete claims are much more prevalent and can take twice as long to process. Award decisions for incomplete claims can be delayed by weeks or months as the program attempts to obtain additional information from the victim, provider, employer, or law enforcement agency. The program has methods in place to encourage timely processing of claims, but we identified changes to program practices that would improve timeliness.

As shown in Exhibit 7, processing times vary depending on the completeness of the claim but less than 40% of claims submitted during 2013 to 2015 were complete upon submission. Claims were processed in an average of 51 days (date entered to award recommendation), with a range of from one to 234 days. Claims were processed significantly faster when they contained all necessary information. Complete claims were processed in an average of 23 days, and nearly all were processed within 60 days. Processing times increased significantly when additional information was required.

Exhibit 7

Timeliness of Claims Processing Depends on Application Completeness



Complete claims contain three items:

- *complete, signed application,*
- *police report with incident narrative,*
- *itemized bill related to the crime.*

Additional information required from law enforcement led to an average processing time of 56 days, with approximately 67% processed within two months. When additional information was needed from victims, doctors, or other non-law enforcement parties, the average time nearly tripled to 71 days.

While the actions of program staff impact the timeliness of claims processing, the same is true for those submitting additional information. Delays occur if victims do not provide all needed documentation with the application or quickly forward newly requested information. Delays also occur if law enforcement officials, service providers, or employers do not quickly provide information requested by the program. Program practices intended to address timeliness, as well as additional actions that can be taken, are discussed below.

Program Processing

To encourage the timely processing of claims, the program sets goals for the number of days a claim should be in each step of the claims review process (e.g., data entry, verification). Verification specialists sort claims by the number of bills and by provider to reduce phone calls and streamline the processing of simple claims. Also, in August 2016 the program began using a new claims management system that should be able to address the issues noted below.

- **Processing sequence** – The sequence of claims processing can result in wasted staff time and effort. Staff currently verify bills prior to determining if victims are eligible for an award. Staff are allowed 15 days to verify the accuracy, authenticity, and relevance of crime-related bills. Only after bill verification do investigators determine if victims meet statutory and program requirements, including passing a criminal history check. As a result, staff may spend days verifying bills for ineligible claims. Our file review found multiple claims in which the victim was deemed ineligible due to criminal history or contributory conduct after days or weeks were spent verifying bills or obtaining other information unrelated to the eligibility determination.

Other state compensation programs determine victim eligibility before verifying bills. Compensation programs in the five states we interviewed all determine eligibility prior to bill verification. Some perform criminal history checks upon application receipt to identify and deny ineligible applicants as soon as possible.

The new claims system could allow a reorganization of the claims process. The use of paper files has limited the ability of staff members to work simultaneously on a single claim. With the new system, all claim documents will be scanned. This would allow the program to redesign the claims process to permit multiple staff to work on the same claim.

- **Monitoring capabilities** – The previous claims management system limited management's ability to monitor claims processing timeliness. Management tracked average processing times and used basic queries to identify older claims that advocates could help expedite. However, the system captured limited information about status changes and could not associate activities with specific employees. As a result, the program could not measure the average timeliness of each step in the claims process or monitor processing

times per employee. According to program officials, the system implemented in August 2016 should permit analysis of claims data with enough detail to target lags attributable to a specific employee or step in the claims process.

Victims/Claimants

To reduce the number of incomplete claims, individuals applying for program benefits must be aware of the required documentation prior to submission. When incomplete claims are submitted, the victims must be aware of the need for the additional documentation in a timely manner.

The program has taken steps to ensure victims and their advocates are aware of program requirements. The application and program website detail the information that victims must submit for a claim to be processed. The program has also provided training to local advocates who assist victims to complete applications, and the training has noted how much quicker complete claims are processed. When additional information is needed, victims are told that the claim will be denied if the information is not submitted by a stated deadline. Finally, program advocates contact victims when requested information has not been received.

We found two items that could assist victims to provide information in a timelier manner, as discussed below.

- **Communicating claim status** – The program mails letters to victims regarding claim status, including when additional information is needed. Local advocates who may have helped with the initial claim are not made aware of the need for additional information. The program had previously allowed local victim advocates to access a portal on the claims management system to determine claim status. Program officials stated that the new claims management system will eventually allow this type of external access.
- **Communicating economic support requirements** – The program's guidance about economic support requirements is unclear. Lost wages or loss of support compensation require documentation to be submitted by victims, employers, and occasionally doctors.⁸ The application lists the documents victims must submit directly to the program but does not mention forms that other parties must complete and submit. Information about all economic support documents is available on the program's website, but victims must search beyond the main victims' compensation webpage that presents the program requirements and application.

Law Enforcement

Claims must include a police report, but program officials regularly request that law enforcement officials provide additional information to determine whether the crime is compensable under program guidelines, whether the victim cooperated with law enforcement, and whether the victim exhibited "contributory conduct." However, law enforcement officials do not always respond in a timely manner. As noted previously, claims with insufficient law enforcement information take more than double the time required to process complete claims. Our file review yielded examples in which staff made multiple attempts to obtain requested information from law enforcement

⁸ Doctors must complete and submit a medical release for victims absent from work more than one week.

spanning several months. Management noted that while incidence of these claims has declined over the years, compliance varies as police department leadership changes.

We found at least two states with methods to encourage timely responses from law enforcement. The Texas victim compensation program requires law enforcement to submit police reports within 14 business days upon request. Other state compensation programs use informal methods to encourage timeliness. For example, Pennsylvania's compensation program lists the names of police departments that respond to requests in an average of 15 days or less in the program's online "wall of fame."

RECOMMENDATIONS

1. CVCP should determine claimant eligibility prior to bill verification to ensure timely claims processing and efficient use of staff time.
2. CVCP should ensure its new claims system tracks relevant data points and facilitates analysis of aggregate data that can be used to pinpoint the source of processing delays.
3. CVCP should provide applicants with clear and complete information about required materials prior to submission of the application. Economic support requirements should specifically be addressed.
4. CVCP should continue with current plans to allow victims and victim advocates to track the status of submitted claims, including the specific documents or information needed to continue processing the claim.
5. CVCP should track the timeliness of law enforcement responses and take steps that could expedite information submittal.

***CJCC Response:** CJCC concurred with most of the recommendations but does not believe that all are feasible.*

In agreeing with recommendations 1 and 2, it noted that it is currently working on both changes. CJCC agreed with recommendation 3 but stated that "clear and complete information about the materials required for claims processing is currently on the application instruction/cover page and provided to victims via enclosures when application is received incomplete." CJCC agreed with recommendation 4 and stated that it is currently in the design phase of the process.

Regarding the final recommendation, CJCC agreed that it should track the timeliness of law enforcement responses but added that it has "no authority to implement steps to expedite the submission of information. Timeline language is included on Law Enforcement Questionnaire (LEQs) and Program Advocates continue to call/email the LE agencies. Program staff attend conferences to hand deliver the LEQs and encourage responses from the top command staff."

CVCP's method for processing claims that missed initial deadlines results in preventable delays and denied benefits.

CVCP needlessly delays the processing of claims for victims who missed crime reporting or program application deadlines. State law defines these deadlines,⁹ but also gives CVCP the ability to waive the requirements if victims demonstrate good cause. The program's practice of denying these claims before consistently overturning the decision on appeal has created unnecessary delays in claim processing or denied benefits to victims who are unable or unwilling to submit an appeal.

While CVCP formally denies claims that exceed statutory deadlines and requires victims to file a written appeal (see **Exhibit 8**), the program determines almost all victims exhibit good cause. From 2013 to 2015, the program denied approximately 700 claims for missing deadlines. Of the 300 appeals received, CVCP approved more than 97% for claims processing. While seemingly perfunctory, the appeals process resulted in these victims' claims taking an average of 36 days longer to process than claims overall. The victims for the remaining 400 claims did not submit an appeal.

CVCP has acknowledged that victims have legitimate reasons for missing deadlines, even dedicating staff time and training to encourage appeals. The program has acknowledged that children and victims of sexual assault and domestic violence have difficulty reporting their victimization, yet their claims are still denied prior to granting a waiver if an appeal is submitted. Due to the frequency of overturning its own timeline denials, program staff train local advocates to submit claims that have missed deadlines and staff call victims to encourage appeals. One local advocate described these denials as a technicality, stating that if victims "stick with it and jump through all the hoops" they typically receive compensation; however, the advocate noted that victims internalize the denial differently (see box below).

The program is not legally required to handle missed deadlines via an appeals process. State law establishes the good cause requirement but does not define how or when the program should obtain the victims' explanation. Other state programs have instituted more efficient alternatives for obtaining good cause. For example, programs in California and Florida provide a form for victims to submit with their application. Other states, such as New York, request that victims provide an explanation directly on the application. These methods avoid the delays created by follow-up requests.

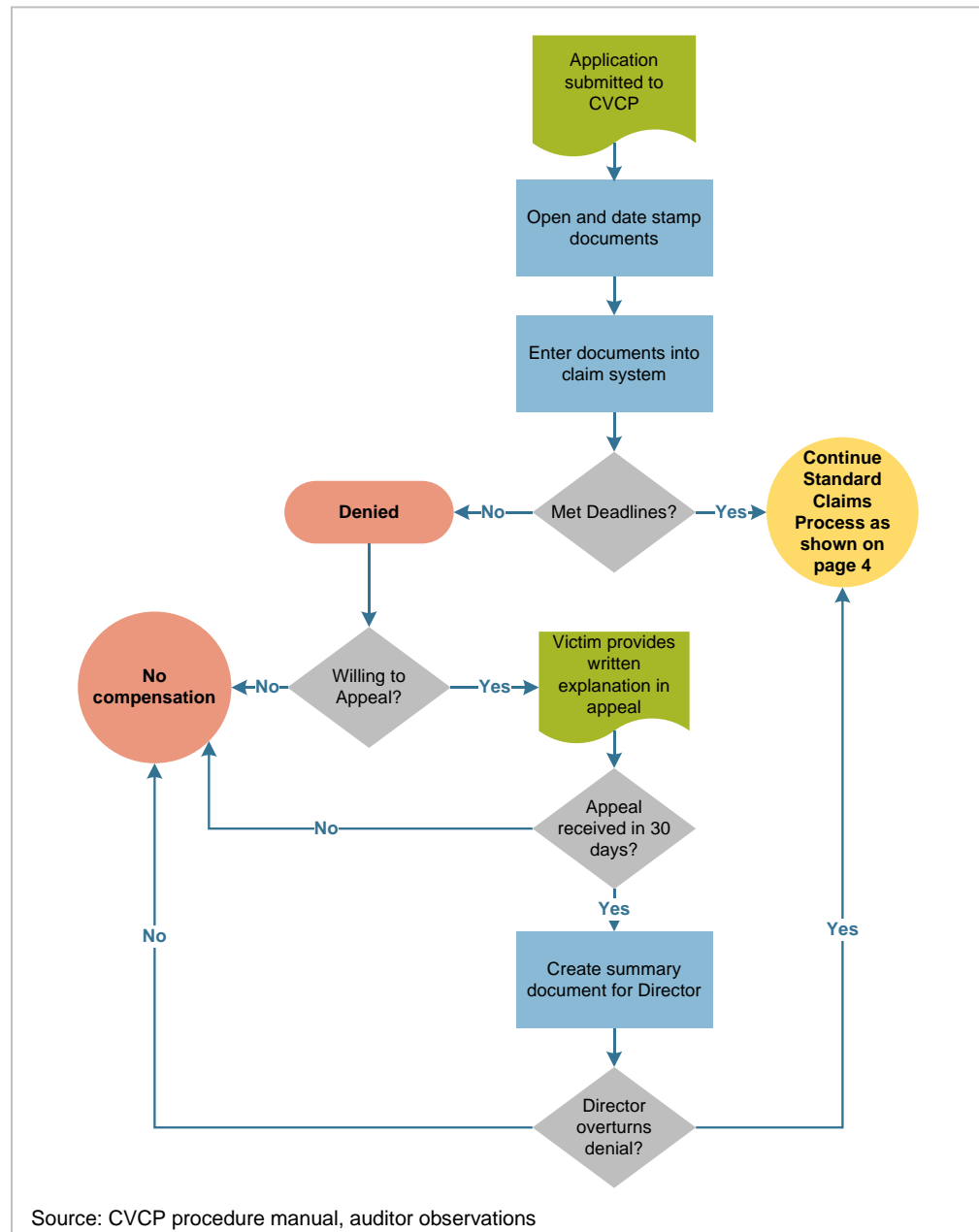
Victim Focus: It's Not Just about Time

Interviews with local advocates indicated that denials have a negative impact on victims' emotional state and may affect their willingness to appeal. Already traumatized victims may feel re-victimized when told that they are not eligible for victim benefits. Local advocates described victims as feeling hopeless, confused, and frustrated.

Overwhelmed with grief and other priorities, some victims cannot bring themselves to submit an appeal. As one advocate explained, a denial "adds to the negative world they are already in and some of them just give up." Another advocate noted that applying for compensation is not an easy process and victims would rather "take the path of least resistance."

⁹ O.C.G.A. §§ 17-15-5 and 17-15-8 require victims to report the crime to law enforcement within 72 hours and file a claim with the program within 1 or 3 years, depending on the crime date. Filing-deadline denials are likely to decrease since the filing timeframe increased to three years in 2014.

Exhibit 8
Claims with Missed Deadlines go through Time-Consuming Appeals Process



RECOMMENDATIONS

1. CVCP should not deny claims for missing deadlines without providing victims with an opportunity to show good cause. Space for explaining the reason for the missed deadline could be included on the application itself or as an attachment.

CJCC's Response: The agency concurred with the recommendation. The program will begin using a new application that contains a "good cause" section in November 2016. "In addition, CVCP

advocates are being trained to submit 'good cause' with the application going forward. CVCP has changed some language on the letters sent out to victims by removing words like 'denied' on many of them based on feedback from victim focus groups."

Georgia does not provide victims with the range of benefits provided by many peer states.

Victims and local advocates have identified additional compensation benefit needs. We also found that CVCP provides fewer benefit categories than most of Georgia's large peer states and that category payment limits are frequently lower than those in other states.

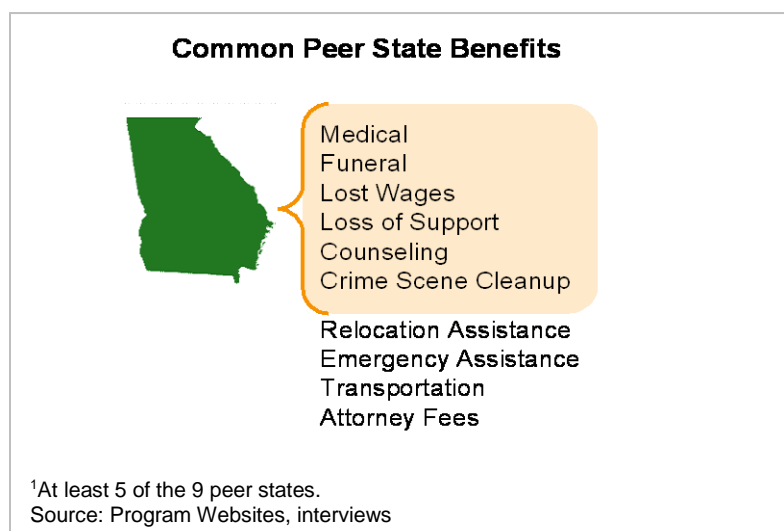
Benefit Categories

State law provides crime victim compensation for six types of expenses, four of which are required by the federal Victims of Crime Act grant. State compensation programs may offer other benefits beyond those named in the grant, but federal regulations specify which benefits are eligible for grant funding.¹⁰ All Georgia benefits are eligible for grant funding.

Our review found that CVCP offers fewer benefits than compensation programs in most peer states.¹¹ As shown in **Exhibit 9**, Georgia offers six of the ten benefits offered by a majority of its peer states. The most prevalent benefits not offered by Georgia that were also cited as potential needs were transportation, relocation assistance, and emergency assistance. Each was mentioned in a 2013 CJCC-commissioned report¹²

Exhibit 9

Georgia Offers Six of Ten Benefits Offered by a Majority¹ of its Peers



¹⁰ Federal funding is 60% of the prior year's state funding in all federally eligible benefit categories.

¹¹The 2015 VOCA conference assembled a peer group of large compensation programs, which included California, Florida, Georgia, Illinois, New Jersey, New York, Ohio, Pennsylvania, Texas, and Washington.

¹² *Voice of the Victim: Statewide Analysis of Victim Compensation*, June 2013, Georgia State University Department of Criminal Justice.

and by Georgia's local victim advocates as an unmet need. The categories are discussed below.

- **Transportation** – Feedback from local victim advocates suggests that Georgia victims have difficulty accessing transportation due to cost or availability. In some instances, victims' limited access to transportation prevents them from obtaining medical services or meeting with local advocates.

All peer states provide compensation for some form of victimization-related travel expenses, often as an eligible expense within another benefit category. Depending on the state, eligible expenses may include transportation costs to and from medical appointments, funerals, or court hearings. Programs establish parameters for qualifying trips using factors such as travel distance and provider availability. For example, Washington reimburses state per diem rates for healthcare-related travel that meets three criteria: 1) the destination is greater than 15 miles from the victim's residence, 2) a closer provider is unavailable, and 3) the travel is preapproved by the program.

- **Relocation assistance** – Some local advocates stated that Georgia victims would benefit from relocation assistance. Most peer states (seven of nine) provide compensation to victims who need to relocate for health and safety reasons. Programs are likely to offer relocation assistance to victims of domestic violence and sexual assault, but may also include others such as victims of stalking, human trafficking or gang violence. Unlike other benefits, programs may issue relocation compensation based on a cost estimate before the victim incurs the expense. Victims submit receipts to the program as they incur expenses and repay any unused funds. Eligible expenses may include temporary lodging, travel, rent, security deposits, and utility bills.

We interviewed staff in four peer states that offered relocation assistance, most of which considered this benefit to be a critical part of ensuring victim safety. However, program staff cautioned that they have had issues with fraud or expense verification. These programs used various mechanisms to encourage receipt submittal and to discourage fraud. For example, Florida requires victims to work with a certified domestic violence shelter to create a safety plan. Payments are mailed in two increments directly to the shelter assisting the victim. The victim must submit receipts for the first payment before the program will issue a second payment. Florida staff emphasized that the program was able to mitigate many of the challenges associated with relocation assistance by working with key stakeholders such as domestic violence and sexual assault organizations that understand victims' needs.

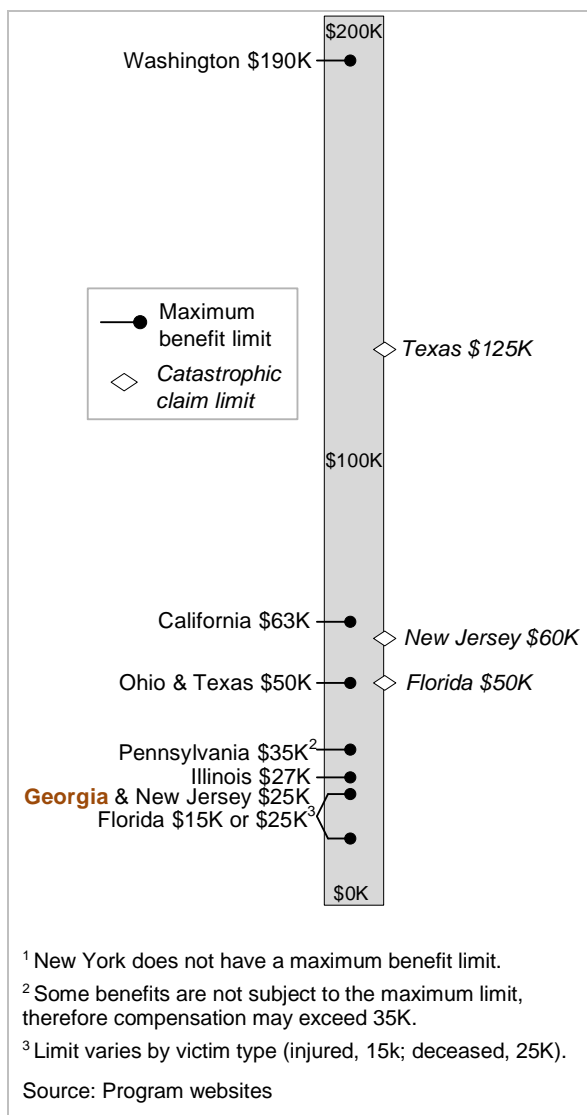
- **Emergency assistance** – Several local advocates reported that victims need emergency financial assistance to cover urgent expenses. Following the crime, victims have immediate needs that cannot wait the weeks needed for claims processing and approval. Urgent expenses cited by Georgia's local advocates included the replacement of broken locks, doors, windows, or clothing taken as evidence.

Nearly all peer state compensation programs (eight of nine) offer emergency awards. These awards provide quicker access to program benefits, not additional benefits. The states' programs vary in the timing of assistance, with

some able to distribute awards in a few days while others take weeks. For example, California has the ability to temporarily waive eligibility determination while New Jersey prioritizes processing of emergency claims but retains all eligibility requirements. Estimated processing times varied from a few days to the same time required to process a normal claim, which could be greater than one month.

CVCP may not be the ideal provider to meet the emergency needs described by Georgia's local advocates. Staff from other states expressed mixed feelings about emergency assistance provided through compensation programs, citing issues of fairness and expediency. Also, Georgia's CVCP does not currently cover many of the expenses cited by advocates as urgent needs and the time required for eligibility determination limits the program's ability to provide immediate assistance. Emergency needs may be better met by locally-administered programs not bound by the compensation program's eligibility requirements or hindered by its existing workload of claims.

Exhibit 10 Most Peer States¹ have Higher Overall Benefit Limits than Georgia



Benefit Category Limits

Like many states, Georgia limits the amount of compensation awarded per claim and per benefit category. Victims may receive up to \$25,000 total per claim, with individual benefit categories ranging from \$1,500 for crime scene cleanup to \$15,000 for medical expenses.

Georgia's maximum benefit limit is similar to the national average, but lower than several peer states. Eight of nine peer states limit overall payouts per claim, ranging from a low of \$15,000 in Florida to a high of \$190,000 in Washington.¹³ As shown in Exhibit 10, six of the eight states have higher per-claim maximums than Georgia.

According to data from the National Association of Crime Victim Compensation Boards, about one half of compensation programs increase the amount of compensation available for various reasons including, the severity of victims' injuries, whether the crime was homicide, or other factors. Among peer states, three offer additional compensation due to catastrophic injuries. Eligibility criteria vary, but often include victims whose injuries result in permanent disability such as amputation or brain injury. Additional compensation may be limited to specific benefit categories, but also may allow additional expenses not available to other victims such as vocational rehabilitation, home and/or vehicle modifications, and long-term care.

¹³ New York limits payments for certain benefits, but does not have a maximum limit per claim.

Georgia also has payment limits for each of the six benefit categories. Of the peer states with category limits, Georgia's are generally lower for medical, counseling, and economic support (See [Appendix C](#)). In addition, CVCP data show that many claims for crime scene cleanup exceeded Georgia's category limit. These categories are discussed below.

- **Medical expenses** – Georgia limits medical expense payments at \$15,000, which is lower than all but one of its nine peer states. Seven states have no medical category limit, allowing victims to use their entire benefit amount for medical expenses. Only Florida has a lower limit (\$10,000), but that amount is higher for cases deemed catastrophic.

Less than 5% of the 26,776 medical claims paid from 2013-2015 met or exceeded the \$15,000 cap; however, the unpaid balances on claims that met the cap were nearly twice the amount paid for all medical claims (\$81 million vs. \$42 million). If medical expenses were paid up to maximum benefit cap of \$25,000, the program would have provided an additional \$10.5 million in compensation. While this figure suggests that removing the medical expense cap would have a significant impact on annual payouts and the overall health of the emergency fund, the impact of medical cap adjustments could be considered in tandem with a fee schedule as discussed on page 8.

- **Counseling** – Like Texas, Georgia has a counseling benefit limit of \$3,000. The remaining eight peer states have higher amounts, including two with no category cap (other than total benefit limit). While Georgia's limit is lower than most other states, less than 2% (71 of 3,897) of counseling claims in the time period reviewed met the category limit.
- **Economic support** – Georgia will pay up to \$10,000 for either lost wages or loss of support. The other nine states have higher limits, with five having no category cap.¹⁴ Approximately 21% (232 of 1,108) of economic support claims reach the \$10,000 cap.
- **Crime scene cleanup** – Georgia's benefit limit of \$1,500 for crime scene cleanup is not out of line with peer states. However, of the 35 claims made in 2013-2015, 16 met or exceeded the \$1,500 benefit limit. On average, claimants that exceeded the benefit limit incurred costs more than twice the amount allowed under the current cap. If the benefit limit were doubled to \$3,000, the program would have spent an additional \$12,000. To cover all crime scene cleanup expenses beyond the cap would have cost the program less than \$30,000.

Assessing and Addressing Victim Needs

CVCP has access to information that could be used to assess program benefits on a regular basis. The program either possesses this information or could easily obtain it through existing relationships with CJCC's grants division¹⁵ and the National

¹⁴ Peer states without total caps on economic support may still limit payouts weekly or monthly.

¹⁵ The grants division certifies, funds, and monitors Georgia's local victims' assistance providers, among other responsibilities.

Association of Crime Victim Compensation Boards. The list below describes information that can inform analyses of victim needs.

- **Victims** – Compensation claims data and research commissioned by CJCC contains information directly from victims about their needs. Analysis of claims data shows to what extent the program covers victim expenses given current benefit limits. A June 2013 report¹⁶ commissioned by CJCC contains feedback about victims' satisfaction with the program, including their stated needs for other benefits not currently provided by the program.
- **Local advocates** – Local advocates have insight into what needs remain unmet or difficult to access. The program has access to victims' assistance activity data.
- **Other states** – Other victim compensation programs can provide information about trends in victim needs across the country. Staff from other state programs not only interact directly during conferences, but also have access to resources produced by the national association. For example, the association compiles and shares summary information about all compensation programs.

If unmet victim needs are identified, CVCP must determine whether it is the most appropriate program to meet the need and how additional benefits would impact the fund's financial health. As currently structured, CVCP is unlikely to be able to address identified needs for immediate, emergency funding. In addition, CVCP must assess whether the projected cost of an additional benefit or increased benefit limit can be covered by the Crime Victims Emergency Fund. As shown in **Exhibit 3** on page 6, the fund had expenditures of \$22.6 million in fiscal year 2016 and ended the year with a \$43.8 million fund balance.

Regardless of victim needs and available funding, CVCP cannot change benefits or monetary limits on its own because both are explicitly defined in state law. The program must instead advocate for benefit modifications. In 2015, the General Assembly modified the monetary cap for funeral benefits after several years of advocacy by the program. Prior to 2015, the General Assembly had not adjusted the total limit or any category limits since the 2002 session.

RECOMMENDATIONS

1. CVCP should routinely use available information to determine whether program benefits – both categories and category limits – meet victim needs.
2. The General Assembly should consider granting the Georgia Crime Victims Compensation Board the authority to change the benefits available to victims. State law could set the maximum payout per claim and/or require certain benefits while permitting the Board to establish new benefits or change category limits if supported by assessments of victim needs and of the Crime Victims Emergency Fund.

***CJCC Response:** CJCC stated that it did not concur with the finding but agreed that it is “an accurate statement that Georgia does not provide victims with the range of benefits that some other*

¹⁶ *Voice of the Victim: Statewide Analysis of Victim Compensation*, June 2013, Georgia State University Department of Criminal Justice.

states allow.” CJCC noted that many different factors contribute to the different benefit offerings across states, including available funding, placement of the program within state government, and laws that govern the programs. It also stated that some benefits offered in other states are “topics of discussion on the national level around what funding source is best to pay for those services” and CJCC is waiting on further guidance.

Regarding the recommendations, CJCC stated that it already routinely reviews available information and resources to ensure victim needs are met. It cited the addition of Forensic Medical Exam payments, Forensic Interview payments, and increased funeral expenses over the past five years as evidence.

CJCC does not concur with the recommendation that the General Assembly consider granting the Compensation Board with the authority to alter benefits. It noted that the Board “constantly changes and is set by the Executive Director, who is appointed by the Governor. If the Board were to have the power to set and change the limits and types of benefits offered, there would be no oversight by the legislative branch and therefore would infringe upon the balance of powers and create a lack of transparency. We believe any changes should be vetted by the Executive branch and brought before the General Assembly for adoption.”

CJCC has most likely not received all crime victim fees owed but can take additional actions to promote compliance by those remitting the fees.

Probation providers have not consistently remitted crime victim fees and have likely failed to remit all fees owed to CJCC. Inconsistent and missing payments can be identified, but data to determine the precise amount of uncollected fees does not exist. CJCC can take steps to promote better compliance by probation providers, including improving communication with providers, analyzing available data, and reporting suspected issues to both providers and the Department of Community Supervision.

O.C.G.A § 17-15-13 requires probation providers collect from probationers and remit to CJCC \$9 per month per supervised probationer.¹⁷ Providers are to remit the fees to

Georgia’s Probation Operations and Fee Collection Process

Misdemeanor probation providers and the Department of Community Supervision (DCS) supervise probationers in Georgia. Public or private probation providers under contract with the local court supervise individuals sentenced for misdemeanor violations, while DCS supervises all probationers convicted of felonies. The DCS Misdemeanor Oversight Division regulates and audits misdemeanor probation providers.

In addition to fees ordered by the court and supervision fees, O.C.G.A. § 17-15-13 requires all probation providers to collect a monthly \$9 fee from each probationer supervised. The monthly fee is to be remitted to CJCC for deposit into the Georgia Crime Victims Emergency Fund (CVEF).

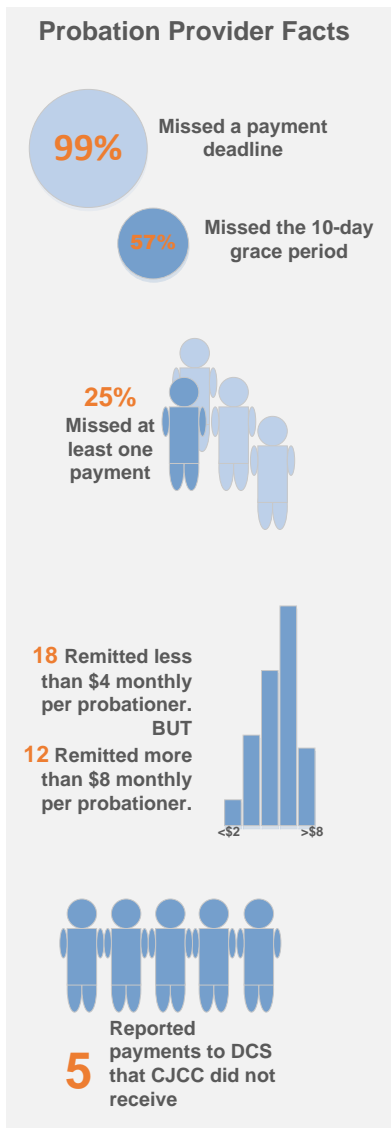
A Department of Audits and Accounts performance audit of misdemeanor probation operations in 2014 identified several weaknesses in Georgia’s probation fee collection process that could affect CVEF collections. The audit found that some providers improperly prioritized the collection of supervision fees—which they retain—over other fees such as those remitted to the CVEF. In addition, offenders’ partial payments were inconsistently allocated to beneficiaries. The audit also noted the absence of formal fee remittance schedules in providers’ contracts with courts and in provider policies. At the time of the audit, CJCC noted that some providers did not remit funds monthly and the agency suspected that not all providers were remitting the fee.

¹⁷ State law specifically identifies the Georgia Crime Victims Compensation Board as responsible for receiving the crime victim fee. CJCC serves as the staff for the Board.

CJCC via lock-box each month and are expected to submit a remittance form detailing the number of probationers and the courts for which the collections were made. In fiscal year 2015, CJCC received \$14.4 million in probation fees from 91 public and private probation providers representing approximately 800 Georgia courts. The fee is the largest source of funding for the Crime Victims Emergency Fund.

Probation Provider Non-Compliance

Reviews of CJCC and DCS data indicate multiple problems with the remittance of crime victim fees. Because probationers frequently fail to pay the required monthly fee, the monthly count of probationers cannot be used to precisely project remittances. But our review of CJCC collections and DCS quarterly reports suggests that crime victim fees are not being properly remitted to CJCC. We identified missed, inconsistent, and late payments; very low reported collections per probationer; and inconsistencies between the amounts of crime victim fees remitted to CJCC and reported as remitted to DCS. Additional information is below.



- **Not all providers pay on time** – The majority of probation fees received by CJCC in fiscal year 2015 were not remitted within the required timeframe. State law requires probation fees to be remitted by the end of the month in which they are received, though CJCC provides a 10-day grace period. In fiscal year 2015, 99% of payments were received after the statutory deadline and 57% were received after the grace period. Approximately 3% of payments and 9% of total funds (\$1.3 million) were remitted more than 90 days after the statutory due date.
- **Not all providers pay every month** – During fiscal year 2015, 25% (23 of 91) of providers failed to remit a payment in one or more months and did not appear to make up the payment. For example, one provider remitted eleven payments averaging \$1,900 each in fiscal year 2015. The payments that preceded and followed the missing month were not higher than average. Similarly, a provider missed four payments in fiscal year 2015. All other payments remitted by this provider were approximately \$5,000.
- **Some providers do not remit consistent fee amounts** – Some providers remitted inconsistent payments that were unrelated to missing a monthly payment. For example, one provider remitted payments every month in fiscal year 2015, averaging approximately \$17,500 each. In February 2015, the provider remitted less than \$300 and the following months' payments were not higher than average. Similarly, another provider remitted nine payments of approximately \$10,000 and one for \$3,000.
- **Providers report widely different collections per probationer** – The amount of fees remitted per active probationer varies significantly by provider. According to provider reports to DCS, they remitted a monthly average of approximately \$5.00 per active probationer. Eighteen providers reported monthly remittances of less than \$4.00 per probationer, while 12 reported collecting more than \$8.00 monthly per probationer.
- **Providers report inconsistent remittances** – We identified discrepancies between the crime victim fee remittances reported to DCS and the amounts actually received by CJCC. While a portion may be

attributed to data entry errors, six of the providers with the most significant differences in reporting were also identified as having missing or inconsistent payments. And CJCC had not recorded any remittances for five providers that reported to DCS they had remitted crime victim fees. Together, these five providers reported remitting \$230,000 in fiscal year 2015.

Remittance Management Activities

State law establishing the crime victim fee does not provide CJCC with authority to audit probation providers or impose penalties on those who fail to remit the fee. Despite these limits, there are actions that can be taken to encourage compliance and identify non-compliance. The Georgia Superior Court Clerks Cooperative Authority (SCCCA),¹⁸ which is the state's primary court fee agency, has adopted several practices to improve the remittance of various court fees. CJCC does not engage in many of those practices. Our comparison of CJCC and SCCCA actions are detailed below.

- **Communication with probation providers** – SCCCA established written policies to ensure clarity regarding fee remittance processes, and it communicates changes in law or policy to those ordering and collecting the fee. It also maintains a robust internet presence with information related to the fees and reports it receives, including an online fines and fees training module.

CJCC does not have detailed crime victim fee guidance on its website. It also does not maintain a list of active probation providers, so it cannot directly communicate with all providers. CJCC's contact with providers is limited to instances in which the funds remitted do not match the amount reported on the remittance form. This limited communication increases the likelihood that probation providers and courts will have different interpretations of the law. For example, some courts do not order the probation fee and some providers forward the fee only upon the completion of the probationer's sentence (i.e., not monthly as required by law).

- **Data collection and analysis** – SCCCA requires those collecting fees to submit two reports—one on 11 funds directly remitted to it and one on the remaining 17 fees remitted to other beneficiaries—via its online portal each month. The reports are required even if no fee revenue is collected. Staff analyze data to identify courts that have not submitted reports or have reported inconsistent amounts for remittable fees.

CJCC does not have a standard remittance process, instead receiving various versions of the remittance form with different levels of detail. Inconsistent data makes it difficult to perform analysis to identify inconsistent or missing payments. For example, some submitted forms do not indicate the court for

¹⁸ Since 2004, SCCCA has been designated as the authority responsible for receiving 11 fees from the courts and disbursing these funds to the appropriate beneficiary or to the state treasury. Authority rules and regulations also require courts to submit monthly reports indicating the amount collected for the other 17 court fees for which the courts remit money directly to the appropriate beneficiary, including the probation fee.

which payments are being remitted, and may actually combine collections from multiple courts into a single payment.

When useful information is received, CJCC does not always compile or maintain it in a manner conducive to trend analysis. Payment information is entered by hand without any controls or edit checks, which results in data errors and inconsistencies (e.g., provider names spelled differently in different months, payments attributed to the wrong provider). As a result of these errors, significant data manipulation is required to analyze trends.

- **Follow-up with providers** – When inconsistent remittable fee amounts are identified, SCCCA contacts the court and identifies the reason for the discrepancy. It mails notices of non-compliance to courts that have not submitted reports by the deadline. When a court is more than 60 days non-complaint, SCCCA contacts the chief judge. In addition, compliance data is published on SCCCA's website.

CJCC does not review the data it collects or utilize other available data sources to verify data accuracy. As noted above, it does not contact providers unless the payment and remittance form do not match; it does not follow up with inconsistent or missing payments. CJCC also does not compare the payments received from providers to the amounts (or number of probationers) that the providers have reported in DCS quarterly reports. Because DCS audits misdemeanor probation providers—which remit 75% of probation fees collected—a comparison of data provided to the two agencies could inform DCS's audit process.

RECOMMENDATIONS

1. CJCC should adopt written policies to educate the probation providers collecting the crime victim fee. The policies should address the payment due date, the required remittance forms (including required data), and require that all providers submit a report each month (even if no funds are remitted).
2. CJCC should compile data in a format that allows for the identification of non-compliance (e.g., missing payments, unusually high or low payments).
3. CJCC should compare the amounts remitted to the amounts providers reported to DCS.
4. CJCC should contact probation providers that fail to remit or remit inconsistent payment amounts.
5. CJCC should communicate unaddressed issues of non-compliance to DCS.
6. DCS should incorporate CJCC analysis results into its audit process.

***CJCC Response:** CJCC stated that it has “begun steps to implement all of the recommendations now that agency and statewide infrastructure are in place to make them feasible.” It has “reached out and is beginning to work with DCS to improve fee collection and would have done so regardless of this review.”*

CJCC added that it had a 2013 initiative to improve fee and data collection that was met with “substantial resistance.” Lacking regulatory authority and a larger staff, it could not “take aggressive measures to improve collections.” The agency’s involvement in criminal justice reform, a performance audit of misdemeanor probationers, and the creation of the Department of Community Supervision resulted in a further delay in addressing collection activities.

DCS Response: DCS stated that it agreed with the recommendations.

DCS noted that it has established a Misdemeanor Probation Oversight Unit that will work with CJCC so “both agencies can communicate expectations of the collection of crime victim compensation fees.” It noted that it requires a report of quarterly collections of the crime victim fee that will allow for a comparison between the two agencies’ records. It also stated that it conducts annual compliance audits of all providers. “If a trend of not remitting the GCVEF is uncovered during compliance audits, it is considered a violation of O.C.G.A. 17-15-13 (f) and it is documented as a finding on the misdemeanor probation provider’s compliance report.”

DCS intends to develop Board rules that include “sanctions in order to address non-compliance of providers that do not comply with O.C.G.A. 17-15-13 (f) to enforce the collection and disbursement of GCVEF. The non-compliance of the collection of funds will be addressed as they are discovered through DCS audit, DCS quarterly reports, or communication from CJCC.”

CJCC can more effectively address information security and fraud prevention within CVCP as part of a broader risk management effort.

CJCC has not fully addressed specific risks posed by the operation of the compensation program. CVCP obtains a significant amount of personal information from victims that must not be compromised, and like any claims processing program, it has the inherent risk of claim fraud. These risks are partly addressed by existing program practices but additional controls are needed.

Federal grant guidelines require CJCC to establish and maintain a system of internal controls to ensure effective and efficient operations, reliable data reporting, and compliance with applicable laws and regulations. As part of that system, CJCC must assess risks posed by the compensation program, design methods to address those risks, and monitor those methods to ensure their effectiveness. Risks not identified and properly addressed can threaten finances, those served by the program, and the agency’s reputation and credibility. We found that CJCC had not fully addressed the risks in the two areas discussed below – information security and claims payments.

Information Security

Every compensation claim, whether approved, denied, or in process, contains information protected by federal and state law that would leave a victim vulnerable if exposed. As shown in [Appendix D](#), the compensation application requires the victim to submit personal information such as full name, date of birth, contact information, and Social Security number. Additional sensitive medical, psychiatric, or tax information may be collected, depending on the benefit category applied for. Unauthorized access to this information in paper claim documents or electronic files

exposes victims to the risk of identity theft or loss of privacy. In electronic form, the risks can be increased because inappropriate searches and downloads can expose hundreds or thousands of claims at one time.

Our observations of claims processing practices indicate that staff had not fully considered the risks posed by confidential information in their claims files. Mail room staff moved dozens of files at a time in unlocked carts between the basement file room and fourth floor offices. Within those offices, claims folders were stacked in staff offices and common areas throughout the department (see Exhibit II). In fact, the number of folders in various stacks and boxes was used as an indicator of the amount of work in progress.

The agency has policies and practices intended to protect confidential information, though we noted improvements that could be made. The controls that could be addressed are discussed below.

- **Security policies** – CJCC’s information technology division has a policy manual that mentions data confidentiality. It also has policies to limit the release of data to “properly authorized individuals and entities,” and to ensure that confidential information is not placed on the internet. Staff are not to connect unauthorized devices to the CJCC network and are to retrieve material from printers immediately and to discard unneeded copies securely.

While the IT policies address the security of electronic data, they do not address the numerous paper documents that are frequently submitted as part of CVCP claims. No policies address the specific practices that should be undertaken to ensure the protection of the paper files. The existing security policies also do not list consequences for non-compliance. Finally, the

Exhibit 11

Confidential Claim Files are Held in General Work Areas



protection of confidential data is not on the list of topics to be covered by annual security training.

- **Background checks** – CVCP staff are required to pass background checks and polygraph testing upon hiring; however, the program relies on temporary staff to fill a number of roles. The temporary staff are tasked with handling documents containing confidential information. Prior to July 2016, these temporary employees did not have to pass the same background check or polygraph requirements as permanent staff.
- **Claims system access** – The previous and new claims systems restrict ability to perform specific functions based on job role, so that, for example, verification staff cannot award claims; however, users can read confidential information regardless of assignment.
- **Physical access** – CJCC has taken steps to limit or reduce the chance that unauthorized personnel get access to CVCP offices, and therefore exposure to confidential information. However, as indicated by Exhibit 11, claim files are not all kept in the file room or locked in cabinets within the program work area. Housekeeping staff have access to all work areas after hours, so documents not in locked storage overnight are vulnerable to theft or copying.

Fraud Prevention

The risk of external or internal fraudulent activity is inherent in any claims processing activity. Claimants, providers or employees can misrepresent or falsify claims information, such as providing false evidence of eligibility; exaggerating injuries or losses; billing for services not rendered; or faking entire claims and directing payment to employee bank accounts. Other risks are inherent to regular business processes.

The Victim Services and Finance divisions have taken steps to prevent payment fraud, including segregation of claims processing duties, verifying the itemized bills submitted with claims to ensure they are legitimate and related to the crime, and validating that payment warrants are associated with a valid claim. However, the claims management system used prior to August 2016 did not allow adequate detection of potential fraud. For example, management could not compare the providers paid to the staff that reviewed and approved the bills. A pattern of one employee approving the bills for a single provider may indicate the submission of fraudulent bills into otherwise valid claims submitted by victims. In addition, management officials and the system administrator have the ability to perform multiple administrative and processing functions, increasing the risk of improper payments and the need for appropriate monitoring of transactions performed by these officials.

RECOMMENDATIONS

1. CJCC should formally assess the risks posed by the collection of information necessary to process claims and the risks associated with claim payments. The assessment should consider both external and internal threats. Methods to address the identified risks should then be implemented.

CJCC Response: CJCC concurred with the finding but stated that it is currently addressing or has already addressed some of the issues identified in the finding. CJCC stated that “employees and

managers are cognizant of their security requirements and obligations and CJCC maintains a strong internal control environment. However, many of the identified areas of concern were the result of an aged and outdated system as well as severe space limitations necessitating non-optimal workflow."

CJCC stated that the paperless claims system implemented in September 2016 and a new secure file room address many issues noted in the finding. "Paper files are no longer transported through the office. Additionally, duties and access in the system are now fully segregated by user with a separation of administrative duties."

CJCC also stated that it began performing full background checks on temporary staff in July 2016. These checks were already performed on permanent staff.

Appendix A: Table of Recommendations

CVCP can take steps to substantially reduce medical payments and ensure that victims are not subject to balance billing. (p. 8)

1. CVCP should establish a fee schedule to limit medical payments to reasonable charges. CVCP can use the existing Medicare or Medicaid fee schedule or use the schedule plus a percentage (e.g., 15%, 25%). Because the application of a fee schedule is beyond the expertise of current resources, CVCP should consider contracting with a third-party specialist to perform this service.
2. The General Assembly should amend state law to require providers that accept CVCP payments to regard them as payment in full.
3. CVCP should continue to work with DCH to obtain access to Medicaid eligibility data.
4. CVCP should consider a pilot project of checking dates of service against insurer coverage records. This would require the use of a vendor.

CVCP can take steps to ensure more consistent treatment of claims when the compensability of the crime or the behavior of the victim is uncertain. (p. 12)

5. CVCP should develop policies and procedures that provide clear and complete guidance on how eligibility determinations are made.
6. CVCP should build a formal knowledge base using prior decisions, board directives, and input from the Attorney General's Office. Program management should use this information to refine program policies.
7. CVCP should amend the law enforcement questionnaire to ensure that it provides adequate information regarding the factors considered when determining eligibility.
8. CVCP should create a quality assurance process to monitor decisions for consistency over time. Factors considered in individual award decisions should be clearly documented. CVCP should ensure the new information system incorporates the ability to track key decision points and aggregate data that can be used to ensure claims processing consistency.

While timely claim processing is impacted by victim and law enforcement actions, there are steps the program can take to improve processing efficiency. (p. 18)

9. CVCP should determine claimant eligibility prior to bill verification to ensure timely claims processing and efficient use of staff time.
10. CVCP should ensure its new claims system tracks relevant data points and facilitates analysis of aggregate data that can be used to pinpoint the source of processing delays.
11. CVCP should provide applicants with clear and complete information about required materials prior to submission of the application. Economic support requirements should specifically be addressed.
12. CVCP should continue with current plans to allow victims and victim advocates to track the status of submitted claims, including the specific documents or information needed to continue processing the claim.
13. CVCP should track the timeliness of law enforcement responses and take steps that could expedite information submittal.

CVCP's method for processing claims that missed initial deadlines results in preventable delays and denied benefits. (p. 22)

14. CVCP should not deny claims for missing deadlines without providing victims with an opportunity to show good cause. Space for explaining the reason for the missed deadline could be included on the application itself or as an attachment.

Georgia does not provide victims with the range of benefits provided by many peer states. (p. 24)

15. CVCP should routinely use available information to determine whether program benefits—both categories and category limits—meet victim needs.
16. The General Assembly should consider granting the Georgia Crime Victims Compensation Board the authority to change the benefits available to victims. State law could set the maximum payout per claim and/or require certain benefits while permitting the Board to establish new benefits or change category limits if supported by assessments of victim needs and of the Crime Victims Emergency Fund.

CJCC has most likely not received all crime victim fees owed but can take additional actions to promote compliance by those remitting the fees. (p. 29)

17. CJCC should adopt written policies to educate the probation providers collecting the crime victim fee. The policies should address the payment due date, the required remittance forms (including required data), and require that all providers submit a report each month (even if no funds are remitted).
18. CJCC should compile data in a format that allows for the identification of non-compliance (e.g., missing payments, unusually high or low payments).
19. CJCC should compare the amounts remitted to the amounts providers reported to DCS.
20. CJCC should contact probation providers that fail to remit or remit inconsistent payment amounts.
21. CJCC should communicate unaddressed issues of non-compliance to DCS.
22. DCS should incorporate CJCC analysis results into its audit process.

CJCC can more effectively address information security and fraud prevention within CVCP as part of a broader risk management effort. (p. 33)

23. CJCC should formally assess the risks posed by the collection of information necessary to process claims and the risks associated with claim payments. The assessment should consider both external and internal threats. Methods to address the identified risks should then be implemented.

Appendix B: Objectives, Scope, and Methodology

Objectives

This report examines the activities and operations of Georgia's Crime Victims Compensation Program (CVCP). Specifically, our audit set out to determine the following:

1. Does CVCP provide compensation for the range of services needed by crime victims?
2. Does CVCP process claims in a timely manner?
3. Do CVCP decisions ensure that victims are treated consistently?
4. Does CVCP have adequate controls to minimize the likelihood of fraud and waste?
5. Does CVCP adequately protect claimant information from inappropriate access?
6. Does CJCC receive all CVEF probation fees that are collected by probation providers?

Scope

This audit generally covered activity related to CVCP operations and claims processing that occurred from fiscal years 2013 to 2015, with consideration of earlier or later periods when relevant. Information used in this report was obtained by reviewing relevant laws, rules, regulations and policies; interviewing agency officials, CVCP staff, and key stakeholders; and analyzing data from CVCP's claims management system.

The scope of this audit does not cover public awareness of CVCP or reliability of the program's claim management system due to significant changes occurring in these areas. CJCC contracted with two vendors, one to create and implement a marketing plan and the other to develop a new claims management system.

Government auditing standards require that we also report the scope of our work on internal control that is significant within the context of the audit objectives. We reviewed internal controls as part of our work on objectives 2, 3, 4, 5, and 6 and any deficiencies are noted in the respective findings. Specific information related to the scope of our internal control work is described by objective in the methodology section below.

Methodology

The audit team used the following methodologies to complete multiple audit objectives.

- **Review of relevant laws, rules, and regulations** – We reviewed federal and state laws and regulations governing CVCP. Other laws, such as those governing probation supervision in Georgia, were reviewed when relevant.
- **Review of the program's policies and procedures**
- **Interviews of agency officials, CVCP staff, and key stakeholders** – We conducted multiple interviews with CVCP leadership and staff involved in each phase of the claims process. Stakeholder interviews varied by objective,

including participants such law enforcement, local victim advocates, the National Association of Crime Victim Compensation Boards, and staff from other state agencies.

- **Analysis of CVCP claims system data** – The audit team analyzed CVCP claims and payment data for fiscal years 2013, 2014, and 2015. Although the system lacked adequate controls over some data fields, particularly manually-entered dates, we determined that the data was sufficiently reliable for our purposes.
- **Research of compensation programs in other states** – The 2015 VOCA conference assembled a group of ten large compensation programs, of which Georgia was a participant. The audit team used the other nine states as a peer comparison group which included California, Florida, Illinois, New Jersey, New York, Ohio, Pennsylvania, Texas, and Washington. We compared CVCP's benefits to those provided by the other nine programs and conducted in-depth interviews with five of them – California, Florida, New Jersey, Texas, and Washington.

To determine whether CVCP provides compensation for the range of services needed by crime victims, we reviewed relevant laws and regulations pertaining to benefit requirements, analyzed current benefit utilization, interviewed local victims' assistance providers to determine the extent to which CVCP benefits meet victim needs, and compared CVCP's benefits to those offered by other state compensation programs. In examining benefit utilization, we used claims data to analyze the extent to which CVCP benefits cover victim's expenses. Analyses included an examination of how frequently claims meet or exceed benefit caps and how much is left unpaid. We collected information about peer states to compare how CVCP's benefits and caps align with similar programs. Phone interviews with staff from peer state programs yielded additional information about specific benefits not offered in Georgia.

To determine whether CVCP processes claims in a timely manner, we interviewed program officials about timeliness standards and practices used to encourage timely claims processing. We used claims data to measure processing timeliness. Specific analyses calculated average processing times overall and per claim status as well as the percent of claims processed within 60 days. Interviews with other state compensation programs and the national association included questions regarding timeliness standards and activities used to ensure timely claims processing. We also reviewed the clarity of the CVCP application and supporting materials to determine if applicants are likely to know and understand program requirements.

To determine whether CVCP decisions ensure that victims are treated consistently, we interviewed program officials about current quality assurance efforts and decision-making practices. We reviewed relevant laws and regulations to identify eligibility requirements and examined CVCP's policies and procedures for decision-making guidance. We examined a sample of 78 claim files, noting inconsistencies in the eligibility determination process and the final award decision. Interviews with other state compensation programs included questions regarding decision-making practices and quality assurance.

To determine whether CVCP has adequate controls to minimize the likelihood of fraud and waste, we reviewed existing controls intended to prevent fraud

perpetrated by staff, providers or claimants. We identified common fraud risks related to claims processing and interviewed other states regarding their fraud control practices. We were unable to review claims data for suspicious patterns (e.g., relationships between individual verification specialists and service providers) because sufficient information was not tracked on the system.

To evaluate CVCP stewardship of the Crime Victims Emergency Fund, we examined the processes used to ensure the program is the payer of last resort. We contacted Department of Community Health representatives to determine their reasons for denying CVCP access to Medicaid enrollment data. We reviewed CVCP payment procedures for medical expenditures and compared them to other states' programs and to other Georgia entities that pay similar claims. To estimate the cost savings offered by the use of fee schedules for hospital payments, we examined published federal statistics on Medicare spending versus billed amounts.

To determine whether CVCP adequately protects claimant information from inappropriate access, we interviewed program officials about efforts to identify and mitigate risks. We reviewed federal, state, and program laws and regulations to determine what data is protected and which controls should be in place to protect it. We then examined electronic and paper files to determine what sensitive data the program maintains, and toured its facility to observe how information was stored. We spoke with Georgia law enforcement officials to identify their approaches to ensuring data security and interviewed other states about their data confidentiality practices.

To determine whether CJCC receives all CVEF probation fees that are collected by probation providers, we reviewed relevant laws and regulations, interviewed program officials from multiple agencies, and analyzed fee remittance data. Interviews with CVCP officials discussed their analysis of remittance data and efforts to encourage compliance. We interviewed officials from the Department of Community Supervision (DCS) to determine the extent to which DCS communicates with probation providers about the CVEF fee and what data the department collects regarding fee collection. We also interviewed a representative from the Georgia Superior Court Clerks Cooperative Authority to identify practices that encourage fee remittance compliance. We analyzed CVCP fee remittance data in conjunction with DCS quarterly reports to determine the timeliness and accuracy of fee remittance.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C: Georgia's Benefit Caps Compared to Peer States

Table 1
Medical Caps

State	Benefit Cap
California	No cap
Illinois	No cap
New Jersey	No cap
New York	No cap
Ohio	No cap
Pennsylvania	No cap
Texas	No cap
Washington	\$150,000 ¹
Georgia	\$15,000
Florida	\$10,000

¹Washington's medical cap is atypical in that it includes medical and counseling expenses.

Table 2
Counseling Caps

State	Benefit Cap
Illinois	No cap
New York	No cap
Washington	\$150,000 ¹
New Jersey	\$7,000 or \$12,500*
California	\$5,000 or \$10,000*
Florida	\$5,000 or \$10,000*
Pennsylvania	\$1,500 - \$10,000*
Ohio	\$7,500
Georgia	\$3,000
Texas	\$3,000

¹Washington's counseling cap is atypical in that it includes medical and counseling expenses.

* Counseling cap varies by victim type.

Table 3
Lost Wages Cap

State	Benefit Cap ¹
California	No cap
Ohio	No cap
Texas	No cap
New Jersey	No cap
Illinois	No cap
New York	\$30,000
Florida	\$15,000
Pennsylvania	\$15,000
Washington	\$15,000 ²
Georgia	\$10,000

¹Some programs also have a weekly or monthly cap.

²Permanently disabled victims may receive up to \$40,000.

Table 4
Loss of Support Cap

State	Benefit Cap ¹
California	No cap
Ohio	No cap
Texas	No cap
New Jersey	No cap
Illinois	No cap
Washington	\$40,000
New York	\$30,000
Florida	\$25,000
Pennsylvania	\$20,000
Georgia	\$10,000

¹Some programs also have a weekly or monthly cap.

**Table 5
Funeral Cap**

State	Benefit Cap
Illinois	\$7,500
Florida	\$7,500
California	\$7,500
Ohio	\$7,500
Pennsylvania	\$6,500
Texas	\$6,500
New York	\$6,000
Georgia	\$6,000
Washington	\$5,750
New Jersey	\$5,000

**Table 6
Crime Scene Cleanup Cap**

State	Benefit Cap
Illinois	No cap
New Jersey	\$4,000
New York	\$2,500
Texas	\$2,250
Florida	\$1,500
Georgia	\$1,500
California	\$1,000
Ohio	\$750
Pennsylvania	\$500
Washington	Not offered

Source: Program websites, interviews

Appendix D: Georgia's Victim Compensation Application

GEORGIA CRIME VICTIMS COMPENSATION PROGRAM APPLICATION 104 Marietta Street, Suite 440 – Atlanta, GA 30303 Office (404) 657-2222 Fax (404) 463-7652 Toll Free (800) 547-0060 TTY (404) 463-7650 Web Site: cjcc.ga.gov			
SECTION 1. VICTIM / WITNESS INFORMATION		Please provide information on the individual who witnessed a violent crime, or was injured or killed as result of a violent crime.	
Name of Victim / Witness (Last, First, M.I.)		Male <input type="checkbox"/> Female <input type="checkbox"/>	Date of Birth (MM/DD/YY) / /
Street Address (including apartment #)		City	State
Best Contact Phone Number	Alternate Phone Number	E-Mail Address	
Please check all that apply: <input type="checkbox"/> Victim/Witness gainfully employed at the time of the crime <input type="checkbox"/> Victim/Witness unable to work due to the crime			
Please provide the date(s) victim/witness was out of work, due to crime:			
Demographic Data (Optional for Statistical Use Only)		(Optional - for Statistical Use Only)	
Race: <input type="checkbox"/> White <input type="checkbox"/> Black <input type="checkbox"/> Native American or <input type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Hispanic <input type="checkbox"/> Other:		Are you disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, type of disability <input type="checkbox"/> Mental <input type="checkbox"/> Physical	
SECTION 2. SECONDARY CONTACT INFORMATION		If your contact information above becomes invalid, please provide information for a person we can contact to reach you about your claim or mail correspondence for you to their address.	
Name (Last, First, M.I.)		Best Contact Phone Number	Alternate Phone Number
Street Address (including apartment #)		City	State
			Zip Code
SECTION 3. BENEFITS REQUESTED		Please complete this section by checking all the benefits you are applying for. The program may request additional information once the application is received.	
<input type="checkbox"/> Medical Include your itemized bill(s) with your application.	<input type="checkbox"/> Lost Wages Include paystubs for at least 60 days prior to the crime.	<input type="checkbox"/> Loss of Support Include paystubs for at least 60 days prior to crime and proof of support.	<input type="checkbox"/> Counseling Include your itemized bill(s) with your application.
		<input type="checkbox"/> Funeral/Burial Include your itemized bill(s) and death certificate with your application.	<input type="checkbox"/> Crime Scene Sanitization Include your itemized bill(s) with your application.
If applying for lost wages, you cannot be reimbursed if your wages were fully covered (e.g., sick or annual leave, vacation, disability etc.) while you were out due to crime. If eligible, you can only be reimbursed when you missed work and were not paid, or your wages were only partially covered.			
Please check if you have requested/ filed: <input type="checkbox"/> Restitution <input type="checkbox"/> Civil Action/Lawsuit			
SECTION 4. CLAIMANT INFORMATION		Complete this section if you are filing on behalf of the deceased victim, minor victim, an incapacitated adult victim, or if you are not the victim, but are paying bills on behalf of the victim.	
Claimant's Name (Last, First, M.I.)		Male <input type="checkbox"/> Female <input type="checkbox"/>	Date of Birth (MM/DD/YY) / /
Street Address (including apartment #)		City	State
Relationship to Victim/Witness		Best Contact Telephone Number	Alternate Telephone Number
SECTION 5. CRIME INFORMATION		Include with this application, a copy of the incident report from law enforcement, child protective services, the courts, medical authorities or any other official governmental or investigative authority.	
Location of Crime	County of Crime	Date of Crime	Date Crime Reported
Type of Crime Reported	Agency Crime Reported To		Name of Officer/Detective
Offender's Name		Law Enforcement Case Number	

SECTION 6. INSURANCE INFORMATION		Please provide information on any Insurance, Medicaid, or Medicare benefits that you have available to you. If you have insurance, please send a copy of your card with your application.	
Please check if you have applied for: <input type="checkbox"/> Workers Compensation <input type="checkbox"/> Social Security Benefits <input type="checkbox"/> Other _____			
Name of Primary Insurance Company	Policy Number	Policy Number	
Address	City	State	Zip Code
Name of Secondary Insurance Company	Policy Number	Policy Number	
Address	City	State	Zip Code

SECTION 7. REFERRAL INFORMATION	Please tell us who referred you to the Crime Victims Compensation Program.
Name of Referring Agency or Office	Name of Contact Person from Referring Agency or Office

SECTION 8. SUBROGATION AGREEMENT ACKNOWLEDGEMENT	Please read carefully, a copy of this signed release shall be considered the same as the original.
<p>I hereby agree that if I am awarded any money by the Georgia Crime Victims Compensation Board, in consideration of such award, I assign, transfer and subrogate to the Board, all rights, claims, interests, and rights of action, to the extent of the Board's award, that I may have against other parties or entities that may be obligated to compensate me for the injuries or damages which form the basis for this application. I also hereby certify that, to date, I have not received any compensation except as noted on this form.</p>	
Victim/Witness/Claimant Signature (Original Signature Required)	Date

SECTION 9. MEDICAL AND CRIMINAL HISTORY ACKNOWLEDGEMENT	Please read carefully, a copy of this signed release shall be considered the same as the original.
<p>A Criminal History will be completed on all victims/witnesses and claimants 18 years of age and older. I hereby authorize and understand that a criminal history report will be analyzed to determine eligibility for the Georgia Crime Victims Compensation Program. I authorize any hospital, physician, medical facility, insurer or any other person or law enforcement agency that has knowledge relative to my claim to furnish information to the Georgia Crime Victims Compensation Board. If psychiatric assistance is requested, a separate authorization form may be required.</p>	
Victim/Witness/Claimant Signature (Original Signature Required)	Date

SECTION 10. ACKNOWLEDGEMENT OF UNDERSTANDING	Please read carefully, a copy of this signed release shall be considered the same as the original.
<p>I declare and affirm under the penalty of perjury that the statements made on this Application are true and correct. I hereby acknowledge that the Georgia Crime Victims Compensation Program will only award compensation if <u>all</u> of the program's eligibility requirements are met; I also acknowledge that the Georgia Crime Victims Compensation Program is <u>not</u> an entitlement program, and is the payor of last resort. As such, my benefits will be reduced by the monies I receive from any other source as a result of the crime, such as insurance, restitution, and civil suit settlements.</p>	
Victim/Witness/Claimant Signature (Original Signature Required)	Date

Form CV-1 Revised May 2015

Appendix E: Law Enforcement Questionnaire (LEQ)

GEORGIA CRIME VICTIMS COMPENSATION PROGRAM CRIMINAL JUSTICE COORDINATING COUNCIL

104 MARIETTA STREET, SUITE 440 * ATLANTA, GEORGIA 30303-2743
404.657.2222 * 800.547.0060 * 404.463.7652 FAX * 404.463.7650 TTY



Law Enforcement Questionnaire

Date: _____	
To: _____	From: _____

The purpose of this correspondence is to inform you that the Criminal Justice Coordinating Council (CJCC) is responsible for administering the State of Georgia's Crime Victims Compensation Program to innocent victims of a violent crime. In order to administer these funds, the CJCC is required, pursuant to O.C.G.A. §17-15-6, to thoroughly investigate each complete claim. Recently, a victim in a case that you investigated submitted a claim.

Instructions: Please answer the following questions to assist us in determining whether the listed victim is an innocent victim of a violent crime. Please fax this questionnaire to (404) 463-7652 or forward it to the address listed above within 15 business days of receipt. If you should have any questions regarding this questionnaire or the Georgia Crime Victims Compensation Program, please call (404) 657-2222 or 1-800-547-0060.

CJCC Information	«LEAgency»
Claim Number: _____	Date of Offense: _____
Victim: _____	Alleged Offender: _____
	Case Number: _____

1. Was a crime committed against the victim listed above? Yes ☐ No ☐
2. Did the investigation reveal that the victim's conduct contributed to the infliction of his or her physical injury or financial hardship? Yes ☐ No ☐

If **YES**, please explain.

Yes ☐ No ☐

3. Has the victim cooperated with authorities? Yes ☐ No ☐

If **NO**, please explain.

Name/Title: (print) _____ Signature: _____

Date: ____/____/____ Telephone No.: _____ Ext.: _____

Thank you for taking the time to assist us in improving services to victims of violent crime committed in your jurisdiction.

An Equal Opportunity Employer

The Performance Audit Division was established in 1971 to conduct in-depth reviews of state-funded programs. Our reviews determine if programs are meeting goals and objectives; measure program results and effectiveness; identify alternate methods to meet goals; evaluate efficiency of resource allocation; assess compliance with laws and regulations; and provide credible management information to decision makers. For more information, contact us at (404)656-2180 or visit our website at www.audits.ga.gov.