

# Office of the Auditor General

## Performance Audit Report

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### **Office of Recipient Rights**

#### Michigan Department of Health and Human Services

September 2025

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The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

The auditor general may make investigations pertinent to the conduct of audits.



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Office of the Auditor General

## Report Summary

### *Performance Audit*

### *Office of Recipient Rights (ORR)*

### *Michigan Department of Health and Human Services (MDHHS)*

**Report Number:**  
**391-0120-24**

**Released:**  
**September 2025**

Section 754 of Public Act 290 of 1995 created ORR. ORR's mission is to protect and promote the constitutional and statutory rights of recipients of public mental health services and empower recipients to fully exercise these rights. Its primary mandates are to promote and provide rights protection to individuals admitted to State psychiatric hospitals (SPHs) and programs; monitor the quality and effectiveness of recipient rights protection systems in Michigan; and provide technical assistance and training to internal and external stakeholders, including, but not limited to, MDHHS, community mental health services program (CMHSP), and licensed psychiatric hospital (LPH) staff.

Audit Objective			Conclusion
Objective: To assess the sufficiency of selected ORR efforts to protect and promote the rights of recipients of public mental health services.			Not sufficient
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
Almost 30% of sampled complaints alleging abuse, neglect, serious injury, or death were not retrieved or actions initiated until between 2 and 12 days after the complainant-provided date. The average was 6 days, although ORR's training materials indicate this should have been done within 24 hours ( <a href="#">Finding 1</a> ).	X		Agrees
An ORR date stamp was missing on over 10% of sampled complaints, precluding us from determining whether ORR's actions were timely. For complaints ORR retrieved or obtained and date-stamped (thereby acknowledging receipt), over 30% of our samples alleging abuse, neglect, serious injury, or death did not result in ORR initiating an investigation until between 2 and 17 days after the date stamp. ORR was also untimely in providing acknowledgment and status reports to complainants in over 10% of sampled complaints and did not timely complete investigations and interventions for almost 20% of sampled complaints ( <a href="#">Finding 2</a> ).	X		Agrees

<b>Findings Related to This Audit Objective (Continued)</b>	<b>Material Condition</b>	<b>Reportable Condition</b>	<b>Agency Preliminary Response</b>
<p>Significant improvement is needed in ORR's monitoring activities. For example:</p> <ul style="list-style-type: none"> <li>Over 30% of sampled investigations had multiple instances of timeliness failures related to initiation, acknowledgment, status reporting, and/or completion of the investigation.</li> <li>Video surveillance and audio recording capabilities at the 5 SPHs were not always in place and/or consistently functioning. For over 40% of the investigations reviewed, video and/or audio evidence may have helped facilitate and/or further support ORR's investigation conclusions.</li> <li>ORR lacked a process to monitor SPH incident reports, which could have led to undetected and/or unreported rights violations (<a href="#">Finding 3</a>).</li> </ul>	X		Partially agrees
ORR could not fully support its final assessment results for any of the sampled CMHSP and LPH on-site assessments. ORR was also unable to demonstrate how its review of statistical rights data, such as the number and type of complaints and a summary of remediation actions for substantiated complaints, satisfied its responsibility to conduct annual reviews of each CMHSP's recipient rights system to ensure compliance with standards ( <a href="#">Finding 4</a> ).	X		Disagrees
All four SPHs had at least one unit lacking required information for patients regarding Mental Health Code guaranteed rights and/or ORR contact information ( <a href="#">Finding 5</a> ).		X	Agrees
ORR was untimely in providing required recipient rights protection training to 2 (40%) of 5 newly hired central ORR employees. ORR also needs to improve its review of quarterly training reports ( <a href="#">Finding 6</a> ).		X	Agrees
Although State law requires ORR to provide education and training to the MDHHS Recipient Rights Appeals Committee, ORR could not support it did so for any of the nine members serving on the Committee during our 34-month audit period ( <a href="#">Finding 7</a> ).		X	Partially agrees
Almost one-third of active Siebel Customer Relationship Manager users had inappropriate access based on their job responsibilities. Also, user access was not timely removed when necessary for any of the sampled users nor were periodic reviews conducted of user accounts ( <a href="#">Finding 8</a> ).		X	Agrees

Observations Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
An evaluation of current statutory language is likely needed to help ensure the Mental Health Code's overall intent is being met and provides for the best protection of Michigan's mental health service recipients ( <u>Observation 1</u> ).			Not applicable for observations.

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**Doug A. Ringler, CPA, CIA**  
Auditor General

September 30, 2025

Elizabeth Hertel, Director  
Michigan Department of Health and Human Services  
South Grand Building  
Lansing, Michigan

Director Hertel:

This is our performance audit report on the Office of Recipient Rights, Michigan Department of Health and Human Services.

Your agency provided preliminary responses to the recommendations at the end of our fieldwork. The *Michigan Compiled Laws* and administrative procedures require an audited agency to develop a plan to comply with the recommendations and to submit it to the State Budget Office upon completion of an audit. Within 30 days of receipt, the Office of Internal Audit Services, State Budget Office, is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

We appreciate the courtesy and cooperation extended to us during this audit.

Sincerely,

Doug Ringler  
Auditor General





## **TABLE OF CONTENTS**

### **OFFICE OF RECIPIENT RIGHTS**

	<u>Page</u>
Report Summary	1
Report Letter	5
 Audit Objectives, Conclusions, Findings, and Observations	
Protecting and Promoting Recipient Rights	10
Findings:	
1. Improvement needed in collecting alleged rights violation complaints.	14
2. Improved timeliness needed in responding to complaints and carrying out investigations and interventions.	16
3. Improvement needed in ORR's monitoring activities to help minimize the potential risks of harm to recipients' well-being and/or rights.	21
4. Improvements needed in ORR's reviews of CMHSPs' and LPHs' recipient rights systems.	29
5. Improved communication of recipient guaranteed rights and ORR contact information needed in SPHs.	32
6. Improvement needed in the timely provision and monitoring of ORR and SPH employee training.	34
7. Improved Appeals Committee training and education practices needed.	36
8. Improvements needed in Siebel CRM user access controls.	38
Observations:	
1. Evaluation of current statutory language is likely needed to ensure the laws' overall intent is being met and provides for the best protection of mental health service recipients.	40
 Supplemental Information	
Exhibit 1 - SPH Recipient Rights Allegations Received, Interventions and Investigations Conducted, and Allegations Substantiated	41
Exhibit 2 - Total Substantiated Recipient Rights Allegations by Protected Rights Category for SPHs	42
Exhibit 3A - Recipient Rights Allegations Received, Interventions and Investigations Conducted, and Allegations Substantiated by CMHSPs and LPHs	43
Exhibit 3B - Total Recipient Rights Allegations Received Statewide by CMHSPs, LPHs, and SPHs	43

Exhibit 4 - Descriptions of Select Protected Recipient Rights Complaints Received by SPHs	44
Description	46
Audit Scope, Methodology, and Other Information	47
Glossary of Abbreviations and Terms	52

# AUDIT OBJECTIVES, CONCLUSIONS, FINDINGS, AND OBSERVATIONS

## PROTECTING AND PROMOTING RECIPIENT RIGHTS

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### BACKGROUND

Michigan's Mental Health Code (MHC) established the Office of Recipient Rights (ORR) to protect and promote the constitutional and statutory rights of recipients\* of public mental health services and empower recipients to fully exercise these rights. MHC and the Michigan Department of Health and Human Services (MDHHS) policy set forth ORR's responsibilities related to recipient rights. ORR's primary functions include, but are not limited to:

- Collecting, evaluating, and processing complaints related to individuals receiving services in MDHHS-operated hospitals and programs and executing timely investigations\* and interventions\* for these complaints, as required.
- Monitoring the quality and effectiveness of the rights protection systems in Michigan, including conducting on-site assessments of the community mental health services programs\* (CMHSPs') and the licensed psychiatric hospitals' (LPHs') recipient rights systems using standards developed from MHC, *Michigan Administrative Code* rules, and contractual and interagency agreement requirements.
- Providing recipient rights protection training to MDHHS's ORR, State psychiatric hospitals (SPHs), CMHSP, and LPH staff; the Recipient Rights Advisory Committee (RRAC); and the MDHHS Recipient Rights Appeals Committee (Appeals Committee) to ensure equal protection and consistency in practice across the State.
- Ensuring recipients, parents of minor recipients, and guardians or other legal representatives have access to summaries of MHC-guaranteed rights and ORR contact information.

ORR's Hospital and Community Investigations Unit provides the rights protection for individuals receiving services in MDHHS-operated hospitals and programs. ORR maintains offices at each of the four SPHs, which include the Center for Forensic Psychiatry, Caro Psychiatric Hospital, Kalamazoo Psychiatric Hospital, and Walter Reuther Psychiatric Hospital (Hawthorn Center merged with Walter Reuther Psychiatric Hospital in July 2023). These offices, specifically ORR rights advisors, resolve complaints of rights violations through investigations and interventions and, when appropriate, recommend remedial action(s) to the directors of SPHs (see Exhibit 1).

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\* See glossary at end of report for definition.

Individuals can file complaints through various methods, including in-person, drop boxes on SPH units, e-mail, mail, telephone, or fax. ORR policy requires all complaints to be date-stamped, and its procedure requires each complaint to be classified, based on the allegations, when collected.

When ORR receives a complaint, it logs the complaint in the Siebel Customer Relationship Management (CRM) system and must acknowledge the receipt of the complaint and inform the complainant\* if it determines no ORR investigation of the rights complaint\* is warranted. MHC requires ORR to initiate investigations of apparent or suspected rights violations in a timely and efficient manner and to immediately initiate investigations for cases involving alleged abuse, neglect, serious injury, or death of a recipient.

If a complaint involves an allegation\* of a rights violation, but does not warrant an investigation, MDHHS policy indicates ORR may conduct an intervention in response to the complaint. Interventions may be conducted, rather than investigations, when the facts are clear and the remedy, if applicable, is easily obtainable and the complaint is not alleging abuse, neglect, serious injury, or death.

Throughout the course of an investigation, ORR is required to provide complainants with status reports. Upon completion of its investigation, ORR submits a report of investigative findings (RIF) to the applicable SPH director. RIF outlines ORR's investigative findings, conclusions, and recommendations, if applicable. The SPH director submits a written summary report to the complainant; recipient, if different from the complainant; and guardian or parent of a minor recipient. The summary report includes a summary of ORR's RIF and action taken or planned actions.

The complainant; recipient, if different from the complainant; or the recipient's legal guardian have the right to appeal on the following grounds:

- ORR's investigative findings were not consistent with the facts or with laws, rules, policies or guidelines.
- The respondent's action taken or proposed plan of action did not provide an adequate remedy.
- ORR's investigation was not initiated or completed on a timely basis.

Although the Appeals Committee handles SPH and LPH appeals independent of ORR, ORR is responsible for maintaining documentation of the Appeals Committee activities and ensuring required time frames are met.

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\* See glossary at end of report for definition.

ORR's Education, Training, and Compliance Unit is responsible for developing and presenting training in recipient rights protection to ensure equal protection and consistency in practice across the State. The Unit provides training to MDHHS ORR staff and SPH employees, the RRAC, the Appeals Committee, and CMHSP and LPH staff.

The Unit also conducts on-site assessments of CMHSPs' and LPHs' recipient rights systems using standards developed from MHC, *Michigan Administrative Code* rules, and contractual and interagency agreement requirements. As a result of these reviews, CMHSPs and LPHs are determined to be in full compliance, substantial compliance, or less than substantial compliance. When applicable, plans of correction are required and monitored to bring the CMHSP or LPH into compliance. In addition, the Unit completes annual reviews of CMHSPs' recipient rights systems by reviewing semiannual and annual reports submitted by each CMHSP.

From October 1, 2021 through July 31, 2024, ORR received over 5,000 complaints (see Exhibit 1). In addition, from October 1, 2021 through September 30, 2023, the 103 CMHSPs and LPHs received approximately 32,000 complaints (see Exhibit 3).

## **AUDIT OBJECTIVE**

To assess the sufficiency of selected ORR efforts to protect and promote the rights of recipients of public mental health services.

## **CONCLUSION**

Not sufficient.

## **FACTORS IMPACTING CONCLUSION**

- The four material conditions\* related to deficiencies in ORR's:
  - Collection of recipient rights violation complaints (Finding 1).
  - Timeliness for:
    - Initiating complaint investigations.
    - Acknowledging receipt of complaints.
    - Providing investigation status reports.
    - Completing investigations and interventions (Finding 2).
  - Monitoring of:
    - Complaint activity timeliness.
    - SPH's video and/or audio recording capability and availability.
    - SPH's incident reports\*.
    - Appeals Committee activities.
    - Rights advisors' independence.
    - Categorization of complaints (Finding 3).

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\* See glossary at end of report for definition.

- On-site and annual reviews of CMHSPs' and LPHs' recipient rights systems (Finding 4).
- The four reportable conditions\* related to:
  - Communication of MHC-guaranteed rights and ORR contact information (Finding 5).
  - Timely provision and monitoring of ORR and SPH employee recipient rights training (Finding 6).
  - Appeals Committee training and education practices (Finding 7).
  - Siebel CRM user access controls\* (Finding 8).
- ORR obtained and reviewed CMHSP and LPH semiannual statistical rights data to determine trends and patterns and conducted on-site assessments of all CMHSPs at least once between 2021 and 2024; however, we noted deficiencies in ORR's review practices, as reported in Finding 4.
- ORR's recipient rights informational booklet provided to SPHs for distribution to recipients upon admission was understandable and summarized the rights guaranteed by Chapters 7 and 7a of MHC; however, improvements are needed regarding SPH recipients' access to required information and ORR contact information, as reported in Finding 5.
- ORR ensured employees received ongoing training, as applicable; continuing education courses were approved; training materials aligned with select areas of MHC and MDHHS policy; and RRAC was provided required training. However, shortcomings existed in some ORR training activities, as reported in Findings 6 and 7.
- From October 1, 2021 through July 31, 2024, ORR prepared and timely submitted required fiscal year quarterly complaint summary data reports to RRAC and annual reports to the MDHHS director and Legislature.
- ORR conducted investigations for all sampled recipient deaths resulting from suicide or when the cause of death was unknown.

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\* See glossary at end of report for definition.

## FINDING 1

### **Improvement needed in collecting alleged rights violation complaints.**

ORR needs to improve its collection of recipient rights violation complaints. Doing so would help ORR ensure it promptly evaluates complaints, thereby allowing it to immediately initiate investigations of allegations of abuse, neglect, serious injury, and death and timely initiate investigations of other apparent or suspected rights violations.

State law requires ORR to initiate investigations of apparent or suspected rights violations in a timely and efficient manner and to immediately initiate cases involving alleged abuse, neglect, serious injury, or death of a recipient. Although MHC does not specifically define "timely" or "immediately," ORR defines immediately as within 24 hours of the receipt of a complaint within its ORR staff training materials.

Approximately 70% of complaints are submitted to ORR through drop boxes located within SPH units. ORR informed us it typically collects drop box complaint submissions twice per week. In addition to the drop box, ORR receives complaints in person and via e-mail, mail, telephone, or fax. ORR collects complaints submitted through these methods at varying frequencies. ORR policy requires all complaints to be date-stamped and its procedure requires each complaint to be classified when collected. ORR's logging of the complaint includes evaluation and identification of the rights category the complaint indicates was violated.

Our review of 240 sampled complaints received between October 1, 2021 and July 31, 2024 noted ORR did not collect and evaluate complaints daily. Consequently, ORR could not always ensure it *immediately* initiated investigations for complaints alleging abuse, neglect, serious injury, or death involving a rights violation. Also, ORR may not be consistently meeting the intent of the law requiring *timely* initiation for all other complaint investigations.

We compared the complainant-provided date with ORR's date stamp for 186 sampled complaints containing both dates and determined:

- ORR's date stamp on 9 (28%) of 32 complaints alleging abuse, neglect, serious injury, or death exceeded the complainant-provided date by more than 24 hours, ranging between 2 and 12 days. The average was 6 days later.

ORR's investigations ultimately substantiated the complainants' allegations for 2 (22%) of these abuse and neglect complaints, and SPH employee remedial actions were necessary.

- ORR's date stamp on 81 (53%) of 154 complaints alleging other rights violations ranged between 2 and 53 days after the complainant-provided date, with an average of 9 days later.

Almost 30% of sampled complaints alleging abuse, neglect, serious injury, or death were date-stamped between 2 and 12 days after the complainant's date, averaging 6 days.

Over 50% of complaints alleging other violations were date-stamped between 2 and 53 days after the complainant's date, averaging 9 days.



Our results indicate:

- ORR's twice weekly collection for a majority of complaints precluded it from ensuring timely evaluation of complaints and establishing whether allegations of abuse, neglect, serious injury, or death existed and required immediate initiation of an investigation.
- ORR may not be consistently meeting the law's intent to initiate investigations of other apparent or suspected rights violations in a timely and efficient manner (see Observation 1, illustrative example 1).

ORR informed us it considers a complaint *received* when ORR *collected* the complaint and collecting written complaints twice each week sufficient to meet ORR's mission\*.

We consider this finding to be a material condition because of the:

- Significant exception rates noted.
- Potential risks to recipients if there are delays in imposing necessary remedial actions to address complainants' allegations, especially those related to abuse, neglect, serious injury, or death.
- Potential inability of ORR to ensure the protection of recipients' rights and fulfill its State law mandate related to timely initiation of all investigations and immediate initiation of investigations for allegations of abuse, neglect, serious injury, or death complaints.

## RECOMMENDATION

We recommend ORR improve its collection of recipient rights violation complaints.

## AGENCY PRELIMINARY RESPONSE

MDHHS provided us with the following response:

*ORR agrees with the finding and recognizes there are always opportunities for process improvements. Although there is no national mandate or standard to retrieve and review complaints daily, ORR is committed to the protection of recipient rights and timely investigations. ORR reviews complaints received in-person, via e-mail, mail, phone or fax daily. ORR will review the complaint retrieval process and determine if any changes are needed to ensure timely notification of allegations of abuse and neglect.*

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\* See glossary at end of report for definition.

## FINDING 2

### **Improved timeliness needed in responding to complaints and carrying out investigations and interventions.**

ORR needs to improve its timeliness for many facets of complaint assessments and investigations. These include initiating investigations, acknowledging receipt of complaints, providing investigation status reports, and completing investigations and interventions. Doing so would help ensure potential risks of harm to recipients' well-being and/or rights are minimized and ORR's activities to help protect recipients and address allegations raised in rights complaints are carried out timely in accordance with State law and MDHHS policy requirements.

ORR evaluates each complaint received to determine whether it involves a recipient right protected by Michigan's MHC and, if so, whether ORR should conduct an investigation or an intervention. An investigation is ORR's detailed inquiry into and systematic examination of an allegation raised in a rights complaint. An intervention is ORR acting on behalf of a recipient to resolve a complaint alleging a violation of an MHC-protected right when the facts are clear and the remedy, if applicable, is clear, easily obtainable, and does not involve statutorily required discipline. Some complaints do not warrant an ORR investigation or intervention because the complaints do not pertain to an MHC-protected right. MHC and MDHHS policy provide required time frames related to ORR's response to complaints.

We sampled 240 complaints received between October 1, 2021 and July 31, 2024 and noted:

For over 10% of sampled complaints, the timeliness of ORR's related actions was undeterminable.

- a. Twenty-six (11%) of 240 complaints were not date-stamped. Consequently, we could not determine if ORR timely performed subsequent actions to assess and appropriately act upon the complaint, in accordance with the applicable MHC and MDHHS policy requirements. In addition, the absence of a date stamp could potentially impact a recipient's appeal for timeliness of investigation initiation or completion. Further, it is notable that 6 (23%) of these 26 unstamped complaints alleged abuse, neglect, and/or serious injury.

ORR ultimately substantiated the complainants' allegations during its investigations for 3 (50%) of the 6 complaints with allegations of abuse, neglect, and/or serious injury by SPH staff and remedial actions were necessary, including SPH employee termination for physical abuse of the recipient.

Investigations were not immediately initiated for over 30% of sampled complaints alleging abuse, neglect, serious injury, or death.

- b. ORR often did not initiate investigations timely. We noted:
  - (1) For 10 (32%) of 31 date-stamped complaints alleging abuse, neglect, serious injury, or death with a completed investigation, ORR did not initiate an investigation within 24 hours. ORR's initiation of these complaints ranged between 2 and 17 days after receipt, with an average of 8 days later.

- (2) For 2 (8%) of 25 date-stamped complaints alleging other rights violations with a completed investigation, ORR did not initiate an investigation within 10 business days; instead, the initiation ranged between 16 and 19 days after receiving the complaints.

MHC requires ORR to immediately initiate an investigation for complaints involving alleged abuse, neglect, serious injury, or death of a recipient and initiate an investigation in a timely and efficient manner for all other apparent or suspected rights violations. Although MHC does not specifically define "immediately" or "timely," ORR's staff training materials define immediately as within 24 hours and timely as within 10 business days of receipt.

Timely acknowledgment of complaints is particularly important when ORR determines neither an investigation nor an intervention is warranted because it is the only ORR communication sent to complainants in these situations.

- c. ORR did not acknowledge its receipt of complaints timely for 15 (7%) of 214 date-stamped complaints we reviewed. ORR did not provide complainants with an acknowledgment letter within 5 business days of receipt, as required by MHC. Instead, the acknowledgments were between 1 day and 10 days late, with an average of 4 days late. Timely acknowledgment is particularly important when ORR determines neither an investigation nor an intervention is warranted because it is the only ORR communication sent to complainants in these situations. This was the case for 7 (47%) of the late acknowledgments.

Almost 40% of sampled investigations had late status reports or lacked sufficient information to determine status report timeliness.

- d. ORR did not always provide timely reports to complainants regarding the status of ongoing investigations. We noted 19 (39%) of 49 applicable investigations reviewed had one or more required status reports overdue by at least a week and/or ORR's investigation files lacked sufficient information to determine status report timeliness. For those with sufficient information, the status reports were, on average, almost 2 weeks overdue.

MHC requires ORR to furnish the complainant(s) written status reports every 30 days during an investigation.

- e. ORR frequently did not timely complete investigations and interventions. We noted:

ORR did not timely complete its investigations and interventions for almost 20% of sampled complaints.

- (1) For the 56 completed investigations reviewed, 16 (29%) were overdue by a week or more. ORR took between 98 days and nearly 14 months (416 days) to complete these investigations, with an average of just under 6 months (175 days). ORR's investigative findings ultimately substantiated complainants' allegations and significant corrective measures were required for 5 (31%) of the overdue investigations including, but not limited to, SPH staff remedial actions and/or termination and operational policy revisions.

MHC requires ORR to complete an investigation no later than 90 days after ORR receives the complaint.

- (2) For the 78 completed interventions reviewed, ORR did not complete 9 (12%) within the required 30-day resolution time frame. On average, ORR took 35 calendar days to complete its response for these complaints, ranging from 3 to 11 days late.

MDHHS policy requires ORR to complete interventions within 30 calendar days following receipt of the corresponding complaint.

The table below provides an illustrative example to demonstrate the timeliness of ORR in addressing a complaint regarding a recipient in compliance with the requirements:

Illustrative Example
<p>For one sampled complaint, ORR received a complaint alleging neglect of an SPH recipient who swallowed construction hardware while under a one-to-one patient to supervisor order at the SPH. This resulted in the recipient requiring surgery to remove the ingested hardware.</p> <p>For this complaint, ORR:</p> <ul style="list-style-type: none"><li>• Did not initiate its investigation immediately upon receipt of the complaint.</li><li>• Completed multiple status reports late and/or not at all.</li><li>• Took substantially over a year to complete the investigation that ultimately substantiated the alleged neglect and recommended remedial actions be taken to help ensure the continued safety of recipients at the SPH.</li></ul>

ORR informed us the volume of complaints received, SPH staff errors, and employees' availability for interviews contributed to the untimeliness of initiating investigations, acknowledging complaints, notifying complainants on the status of the complaint, and resolving the complaint. Weaknesses also existed in ORR's monitoring of these complaint response activities to help ensure compliance with MHC and MDHHS policy requirements (see Finding 3, part a.).

We consider this finding to be a material condition because of the:

- Significant exception rates and the potential impacts on ORR's ability to ensure the protection of recipients' rights and minimize risks of harm to recipients. Most notably of concern are delays in initiating and completing investigations of complaints alleging abuse, neglect, serious injury, or death involving a rights violation and the related potential for lingering risks of harm to recipients if there are delays in imposing necessary remedial actions to address complainants' allegations.
- High percentage of individual investigations with multiple instances of timeliness failures. Of the 56 completed investigations we reviewed, 18 (32%) had two or more instances of untimeliness related to ORR's initiation, acknowledgment, status reporting, and/or completion of the investigation.
- Likelihood that deficiencies in meeting timeliness requirements may be more pervasive than noted within this finding considering ORR did not collect written complaints daily (see Finding 1) or consistently date-stamp complaints upon its collection.
- Noncompliance with State law.

## RECOMMENDATION

We recommend ORR improve its timeliness for initiating complaint investigations, acknowledging receipt of complaints, providing investigation status reports, and completing investigations and interventions.

## AGENCY PRELIMINARY RESPONSE

MDHHS provided us with the following response:

*Regarding timely initiation in parts a and b (see Finding 1), ORR agrees and recognizes there are always opportunities for process improvements. Although there is no national mandate or standard to retrieve and review complaints daily, ORR is committed to the protection of recipient rights and timely investigations. ORR reviews complaints received in-person and via e-mail, mail, phone or fax daily. ORR will review the complaint retrieval process and determine if any changes are needed to ensure timely notification of allegations of abuse and neglect.*

*ORR also agrees with parts c, d, and e related to timely completion of statutorily required reports and recognizes there are opportunities for improvement in this area as well. MDHHS has requested appropriations in the FY2026 budget for two additional ORR positions, including a rights representative to help ensure timely initiation of the complaint process and a rights manager to assist in monitoring to improve timely completion of all statutorily required reports.*

*ORR's role is to investigate or intervene on a recipient's behalf to determine if there was a rights violation after the alleged violation has already occurred. It is the State Hospital Administration's (SHA's) responsibility per federal law to take any necessary action during the course of investigations to minimize risks of harm to recipients and ensure action to remediate the violation. As pointed out in the example case, although ORR made recommendations related to training opportunities based on the findings, the hospital had already taken action to mitigate the risk to the recipient. Also, SHA takes immediate action in cases of alleged abuse and neglect by removing the staff from the recipient's care during the investigation.*

### FINDING 3

**Improvement needed in ORR's monitoring activities to help minimize the potential risks of harm to recipients' well-being and/or rights.**

ORR did not actively monitor the timeliness of rights advisors' actions for complaints received, and as noted in Finding 2, over 30% of sampled investigations had multiple instances of timeliness failures related to initiation, acknowledgment, status reporting, and/or completion of the investigation.

ORR needs to improve several aspects of its monitoring activities. Improvements would help ensure ORR meets its mandate to monitor the quality and effectiveness of recipient rights systems and to minimize the potential risks of harm to recipients' well-being and/or rights.

MHC establishes ORR and its responsibilities related to recipient rights, and ORR sets forth that one of its primary mandates is monitoring the quality and effectiveness of the recipient rights protection systems in Michigan.

Our review noted:

- a. ORR needs to improve its monitoring of ORR's complaint responses to help ensure consistent compliance with MHC and MDHHS policy required time frames. Our review noted:

- ORR did not actively monitor whether its rights advisors were taking timely action on complaints received. ORR relied on e-mails automatically sent by Siebel CRM to remind the applicable rights advisor of intervention responses and investigation status reports and responses due within the next 5 days. We noted significant exception rates not only with ORR's timeliness of intervention responses and investigation status reports and responses, but also with ORR's timeliness in acknowledging receipt of complaints and initiating investigations, as noted in Finding 2.
- ORR could not support it consistently generated and/or distributed its biweekly investigation and intervention monitoring reports to its SPH rights advisors. ORR runs a biweekly open complaint report from Siebel CRM which identifies investigation and intervention response due dates and distributes the report to the rights advisors located at each of the four SPHs. We noted ORR could not support it generated and/or distributed 5 (63%) of 8 sampled biweekly open complaint reports to all SPHs open for the entirety of the audit period. Within these 5 sampled distributions, all rights advisors at each of the 4 SPHs were missed at least once and the rights advisors at 1 SPH were missed four times.

ORR informed us the volume of complaints received, staff errors, and hospital employees' availability for interviews contributed to the untimeliness of initiating investigations, acknowledging complaints, notifying complainants on the status of the complaint, and resolving the complaint. ORR also indicated that rights advisors

were not required to retain all e-mails or the reports once they were reviewed.

Video surveillance and audio recording capabilities at the 5 SPHs were not always in place and/or consistently functioning, yet for over 40% of the investigations reviewed, video and/or audio evidence may have helped facilitate and/or further support ORR's investigation conclusions.

- b. ORR did not monitor SPH's video surveillance and/or audio recording capability and availability to help safeguard and protect recipients' rights and facilitate evidence collection for investigations. Our review of complaint investigation documentation, observations while on-site at SPHs, and interviews with ORR staff noted:

- All 5 SPHs open during the audit period had video surveillance systems; however, these systems were not always consistently capturing video footage.
- Three (60%) of 5 SPHs did not have audio recording capabilities and the remaining 2 (40%) had unreliable audio recording capabilities throughout the facilities.
- For 28 (44%) of 63 sampled investigations reviewed, video and/or audio evidence may have helped facilitate and/or further support ORR's investigation conclusions. For these 28 investigations, ORR's documentation either noted SPH video and/or audio evidence was unavailable or lacked support that ORR pursued video and/or audio evidence from SPH for the investigation.

ORR informed us SPHs are responsible for maintaining video surveillance and/or audio recording systems and it is unable to use evidence that does not exist. ORR also informed us no formal protocol for SPHs to communicate video and/or audio recording issues to ORR exists, and it typically is only made aware of these situations when rights advisors request footage for evidence purposes. In addition, ORR had not defined the level of required documentation necessary to support its pursuit and consideration of video and/or audio footage as evidence.

MHC requires ORR to initiate appropriate and necessary actions to safeguard and protect rights guaranteed by Chapter 7 of MHC and to have unimpeded access to all evidence necessary to conduct a thorough investigation or to fulfill its monitoring function. In addition, ORR's policy and rights advisor training materials instruct staff regarding the use of video and/or audio as evidence.

ORR lacked a process to monitor SPH incident reports, which could have led to undetected and/or unreported rights violations.

- c. ORR did not have a process to regularly monitor SPH incident reports to determine whether incidents were indicative of potential recipient rights violations and



reported to ORR. SPHs use incident reports to report occurrences which:

- Are deviations or disruptions.
- Adversely affect the course of treatment, care, and services of a patient.
- Disrupt the customary cadence of a patient unit or of hospital administration.
- May involve MHC-protected recipient rights.

ORR informed us its rights advisors may access SPH incident reports at any time and open an intervention or investigation on behalf of a recipient if ORR identifies an apparent or suspected rights violation. However, no requirement exists for ORR to review incident reports and/or compare them with the rights complaints received, and it relies on SPH employees to report to ORR incidents with potential rights violations.

MDHHS policy requires SPH employees to immediately report to ORR all incidents of abuse or neglect which are apparent to, reported to, or suspected by an employee or individual acting on behalf of SPH. MDHHS policy also requires SPH directors to notify ORR of incidents impacting the health, safety, or welfare of patients. However, as noted in Finding 6, ORR also did not consistently monitor that SPH employees are properly trained in recipient rights protection, including reporting alleged incidents of abuse or neglect.

ORR often did not ensure documentation was maintained to support Appeals Committee activities and/or required time frames were consistently met.

- d. ORR needs to improve its monitoring of the documentation and timeliness of Appeals Committee activities. Although the Committee handles the appeals independent of ORR, ORR is responsible for maintaining documentation of Committee activities and ensuring required time frames are met. Our review of Committee activities related to 17 SPH and LPH appeals noted:
- For 5 (29%) of 17 appeals, ORR did not maintain documentation to support the Committee accepted or denied the appeals within 5 business days of receipt. For the remaining 12, ORR's documentation indicated the Committee's acceptance for 2 (17%) appeals occurred after the 5 business days statutory time frame, taking place 13 and 69 business days after receipt.
  - For 3 (23%) of 13 accepted appeals, documentation indicated the Appeals Committee did not meet and review the facts within 30 days of

receipt of the appeal. Instead, on average, the Committee met approximately 61 days after receipt of the appeal.

- For 3 (50%) of 6 appeals the Committee returned for reinvestigation, ORR could not document the Committee obtained the reinvestigation report to assess the results and communicate to the appellant, as required by MDHHS policy.

ORR informed us it did not have a dedicated appeals coordinator position within ORR to monitor the Appeals Committee's documentation and timeliness throughout the entire audit period. We also reported a weakness in ORR's training of the Committee members on MHC appeal requirements, see Finding 7, thereby increasing the importance of monitoring the documentation and timeliness of Committee activities to help ensure compliance.

ORR should strengthen its monitoring of rights advisors' independence because these individuals are often solely responsible for collecting, evaluating, and conducting interventions and investigations and are not required to regularly disclose potential conflicts of interest.

- e. ORR should strengthen its monitoring of rights advisors' independence to help reduce the risk of potential biases when handling SPH recipient rights complaints. This is of particular importance because of some unique circumstances related to rights advisors' duties. For example, the rights advisors are:
- Often solely responsible for the collection, date stamp, logging, evaluation, and categorization of the complaints, as well as conducting the intervention or investigation, if applicable, for their assigned SPH unit. Typically, no central ORR supervisory review occurs of the rights advisor's categorization of complaints (see part f.) and/or determination not to conduct an investigation.
  - Typically stationed within SPH in close proximity to recipients and SPH employees and are potentially familiar with parties in the complaints they address.
  - Frequently assigned rights complaints for an assigned unit rather than randomly assigned complaints from across all SPH units.

ORR informed us if a rights advisor disclosed a conflict of interest, ORR would reassign any applicable investigation to another advisor located at the SPH. However, ORR does not require its advisors to specifically and/or regularly disclose potential conflicts of interest, and its investigation reassignment practice for disclosed conflicts may not fully address potential advisor familiarity biases nor does it address the impact of conflicts related to the collection, date stamp, logging, evaluation, and categorization of complaints and/or conducting interventions.

The MDHHS Employee Handbook prohibits employees from engaging in actions that may constitute a conflict of interest with their employment.

- f. ORR did not regularly monitor the categorization of complaints to help ensure all complaints are appropriately addressed. We reviewed 201 sampled non-abuse and neglect complaints and noted rights advisors did not always consistently and properly categorize 10 (5%) of these complaints including:
- 6 incorrectly determined to have no alleged rights violation. Consequently, these complaints should have resulted in an investigation or intervention but did not. For example, a rights advisor categorized a complaint related to no heat in the SPH as not requiring an investigation or intervention; however, a similar complaint was categorized as a sanitary/humane environment rights violation requiring an intervention.
  - 4 complaints containing allegations of abuse or neglect but not categorized as such. Although not properly categorized as abuse or neglect, ORR began an investigation for 1 complaint the same day as the date stamp on the complaint. For the remaining 3 complaints, ORR conducted interventions; however, the timing of ORR's initiation of these interventions was undeterminable.

ORR informed us it relied on its complaint resolution training provided to its rights advisors for complaint categorization and does not have the ability to review all collected complaints for consistent and appropriate categorizations because of staffing resources.

We consider this finding to be a material condition because of the importance of:

- Timely and appropriately addressing recipients' rights complaints and appeals in accordance with requirements intended to protect and promote the rights of public mental health recipients.
- Consistently ensuring availability and access to video and audio evidence to protect recipients' rights and support thorough, timely, and efficient investigations.
- Identifying significant incidents involving potential recipient rights violations and unreported to ORR.
- Ensuring alleged recipient rights violation complaints are handled by individuals independent of the complaint parties.

## RECOMMENDATION

We recommend ORR improve its monitoring activities to help ensure ORR meets its mandate to monitor the quality and effectiveness of recipient rights systems and to minimize the potential risks of harm to recipients' well-being and/or rights.

## AGENCY PRELIMINARY RESPONSE

MDHHS provided us with the following response:

*For part a., ORR agrees and recognizes there are always opportunities for improvements and is committed to the protection of recipient rights and timely investigations. MDHHS has requested appropriations in the FY2026 budget for two additional ORR positions, including a rights representative to help ensure timely initiation of the complaint process and a rights manager to assist in monitoring to improve timely completion of all statutorily required reports and distribution of bi-weekly investigation and intervention monitoring reports. ORR hired an executive secretary in August 2025 who will be trained in generating, distributing and retaining the bi-weekly reports.*

*For part b., ORR disagrees that monitoring the capability and availability of State Hospital Administration (SHA) video surveillance systems is the responsibility of ORR. ORR ensures that investigation conclusions are sufficiently supported and does not define the level of required documentation necessary because each case has a unique set of circumstances that needs to be evaluated by a qualified ORR rights representative. Video surveillance is not always necessary to establish a preponderance of evidence to determine if a right has been violated. ORR will add a video review section to the Report of Investigative Findings template to indicate if video review was available or necessary to resolve the investigation.*

*The SHA is responsible for ensuring video surveillance systems function appropriately and will continue to audit daily video surveillance integrity and availability. As part of this effort, if any cameras are found to be out of service, SHA sends a work order to maintenance or the camera vendor for repair.*

*For part c., ORR disagrees that ORR is required to review all state psychiatric hospital (SPH) incident reports and does not believe this is an efficient use of resources. If there is an incident report that is relevant to an investigation it is reviewed by ORR staff as potential evidence. ORR has various methods of communication available to SHA staff to report allegations of rights violations including e-mail, mail, phone or fax. SHA policy related to incident reporting (APF 170) states the hospital directors must notify the SHA deputy director, or their designee, and ORR of incidents which impact the health, safety or welfare of patients. SHA maintains records that staff both have received training and understand the policy requirements.*

*For part d., ORR agrees with the need to improve its monitoring of the documentation and timeliness of the appeals committee's*

*activities. All exceptions cited occurred prior to 2024, which aligns with the changes made to the ORR appeals coordinator position.*

*For part e., ORR disagrees that rights advisors stationed on site at the SPH and completing the essential functions of their jobs are inherent conflicts of interest. All staff of MDHHS are prohibited from engaging in actions that may constitute a conflict of interest with their employment in the MDHHS Employee Handbook and any evidence of ORR staff engaging in such activities would be a work rule violation and addressed as such. In addition, MDHHS's Office of Human Resources sends out an annual reminder for MDHHS employees to disclose potential conflicts of interest that may exist while performing official duties as a classified employee. ORR will add a process to the SHA policy related to Complaint Investigation, Reports and Remediation (APF 131) for ORR staff to disclose potential conflicts of interest in completing their duties to their supervisors for any necessary assignment changes.*

*For part f., ORR disagrees that 6 of the 10 complaints identified were miscategorized. For each complaint, an ORR rights representative reviewed and evaluated according to the Mental Health Code Chapter 7 citations to determine where the complaint fit best, and the proper category was selected. All rights representatives are required to take a six day training related to complaint resolution, including establishing relevant citations and supervisors work closely with new staff to ensure they are competent in their ability to properly categorize rights. Recipient rights in chapter 7 of the Mental Health Code are very nuanced and there may be more than one category that is appropriate for an allegation. ORR will provide additional training to help ensure consistent categorization of complaints.*

**AUDITOR'S  
COMMENTS TO  
AGENCY  
PRELIMINARY  
RESPONSE\***

For part b., ORR indicates it does not have a responsibility to monitor the capability and availability of SPH video surveillance systems. However, State law has specifically established ORR to *protect and promote the constitutional and statutory rights of recipients of public mental health services and empower recipients to fully exercise these rights*. In addition, ORR is responsible for monitoring the quality and effectiveness of rights protection systems, of which reliable and consistent surveillance systems are a key facet. As noted in the finding, video surveillance and audio recording capabilities at the 5 SPHs were not always in place and/or consistently functioning. Also, for over 40% of the investigations we reviewed, video and/or audio evidence could have helped facilitate and/or further support ORR's investigation conclusions. In addition, ORR has indicated there is no formal protocol for SPHs to communicate video and/or audio recording issues to ORR, and it is typically only aware of these situations after the fact when rights advisors request footage for evidence purposes. Based on these results, relying

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\* See glossary at end of report for definition.

on SPH to monitor surveillance systems was not effective and likely hindered ORR investigation activities.

For part c., previous policy required an ORR review of all incident reports *to ensure that recipient rights are protected and that sufficient corrective action has been provided to address the situation and prevent its recurrence*; however, the policy is no longer in effect. Even so, incident reports are a valuable resource ORR can use to independently and proactively identify incidents impacting the health, safety, or welfare of patients to help ensure recipient rights are consistently protected and potential risks of harm are minimized.

For part e., ORR contends it disagrees rights advisors stationed on site at SPH and completing the essential functions of their jobs are inherent conflicts of interest, while simultaneously indicating it intends to revise its policy related to ORR staff disclosures of potential conflicts of interest in completing their duties.

For part f., we agree more than one category may be appropriate for an alleged recipient rights violation; however, rights advisors, at a minimum, should come to consistent conclusions on whether an allegation warrants investigation, intervention, or neither to appropriately address the allegation. As noted in the finding, this was not always the case.

Based on the aforementioned comments, the finding and recommendation stand as written.

## FINDING 4

### **Improvements needed in ORR's reviews of CMHSPs' and LPHs' recipient rights systems.**

ORR needs to improve its on-site and annual reviews of CMHSPs' and LPHs' recipient rights systems. Improvements would help ORR ensure these systems, which address approximately 90% of complaints Statewide, consistently provide uniform protection and promotion of recipients' rights in compliance with applicable standards. Improvements would also strengthen ORR's ability to consistently demonstrate the sufficiency of its reviews in meeting State law, contractual, and interagency agreement requirements and adequately support ORR's conclusions if subsequently questioned or challenged.

MHC requires the establishment of a recipient rights office in each CMHSP and LPH. It also requires ORR to review CMHSPs' recipient rights systems to ensure a uniformly high standard of recipient rights protection throughout the State. In addition, ORR is required to conduct reviews of LPHs' recipient rights systems to determine compliance with Chapters 7 and 7a of MHC, in accordance with an agreement between MDHHS and the Department of Licensing and Regulatory Affairs (LARA).

Our examination of ORR's CMHSPs' and LPHs' recipient rights systems reviews noted:

- a. For all 16 CMHSP and LPH on-site assessments reviewed, ORR's review documentation did not always clearly explain the procedures performed or contain other supporting documentation fully supporting the reviewer's final assessment results. For example, we noted inconsistent documentation supporting MHC, contract, and/or LARA interagency agreement requirements including, but not limited to:
  - Verification of the completeness of CMHSP or LPH populations used for its review of complaints and appeals.
  - Sampling methodology used for selection of complaints and appeals for review.
  - Reviews performed of select provider information requested prior to on-site visits, such as the provider's applicable policies and contracts.
  - A complete and legible summary for each sampled complaint review.
  - Exit interviews conducted to discuss noted deficiencies.

ORR's final assessment results for 100% of sampled CMHSP and LPH on-site assessments were not fully supported, lacking key documentation.

MHC requires ORR to conduct an on-site review of each CMHSP's recipient rights system once every 3 years. For LPHs, ORR is also required to conduct an on-site review of providers' recipient rights systems once every 3 years,

in conjunction with LARA's LPH licensing process. State law requires MDHHS to maintain records necessary for the adequate and proper recording of its activities and legal rights protection of the State.

ORR informed us it did not have a policy outlining its expectations for rights specialists to retain support of CMHSP and LPH information reviewed, verify populations, and/or document current sampling methodology used during the on-site review.

ORR was unable to demonstrate how its review of statistical rights data fulfilled its responsibility to conduct annual reviews of each CMHSP's recipient rights system to ensure compliance with standards.

- b. ORR relied on its limited review of required CMHSP semiannual and annual statistical reports to fulfill its mandated responsibility to conduct an annual review of each CMHSP's recipient rights system. However, this review may not fully meet the intent of the MHC annual review requirement to ensure compliance with standards. We noted although CMHSPs' reports provided ORR with statistical rights data to assist it in determining trends and patterns for its annual reporting requirements, ORR was unable to demonstrate how its review of statistical rights data fulfilled ORR's responsibility to conduct an annual review of each CMHSP's recipient rights system to ensure compliance with standards. The CMHSP reports included statistical rights data such as the number and type of complaints and a summary of remediation actions for substantiated complaints.

Section 330.1232(a)(6) of the *Michigan Compiled Laws (MCL)* requires ORR to conduct an annual review of each CMHSP's recipient rights system to ensure compliance with standards established for the promotion and protection of recipient rights.

ORR informed us it believed the reviews completed during the audit period were sufficient to meet the intent of the MHC annual review requirement.

We consider this finding to be a material condition because of the high percentage of assessment records that did not fully support the final results, the potential exposure risk to the State if ORR's assessment results are questioned or challenged, and CMHSPs' and LPHs' recipient rights systems addressing over 90% of total complaints during fiscal years 2022 and 2023 (see Exhibit 3B).

## RECOMMENDATIONS

We recommend ORR improve its on-site and annual reviews of CMHSPs' and LPHs' recipient rights systems.

We also recommend ORR seek legislative clarification to validate its interpretation of, and compliance with, MHC's annual review requirement of CMHSPs' recipient rights system to ensure compliance with standards established for the promotion and protection of recipient rights.



**AGENCY  
PRELIMINARY  
RESPONSE**

MDHHS provided us with the following response:

*For subpart a. above, ORR disagrees that sufficient documentation was not maintained to support the completion of required CMHSP and LPH onsite assessments in accordance with MCL 330.1232a(6). MCL 330.1232a(6) requires that an on-site review be conducted every three years, and ORR records support these reviews were completed 100% of the time during the audit period. Records maintained by the ORR include dates of all reviews completed, criteria used to determine compliance with standards, detailed scoring results with recommendations or required action and the plan of correction submitted by the CMHSP for each site reviewed. Also, the ORR made changes during 2024 to automate scoring and provide clarity of deficiencies to the CMHSPs and LPHs. All on-site assessments provide the CMHSP or LPH with an exit interview to review the findings of the assessment and allow for any further evidence to prove compliance with standards. The risk of being questioned or challenged is mitigated through the exit interview process as well as the plan of correction stage of the assessment.*

*For subpart b. above, the ORR disagrees that the CMHSP reviews conducted do not meet the MHC annual review requirement. ORR completes an annual review of all rights activities required to be reported by the CMHSPs to ORR per section 755 of the MHC for the annual reports. These annual reviews help ensure compliance with standards established for the promotion and protection of recipient rights in accordance with MCL 330.1232a(6). These reviews include a review of complaint quantity and category received, remediation for substantiated violations and training provided and received by ORR staff. ORR will pursue legislative clarification to validate interpretation of, and compliance with, the MHC's annual review requirement of CMHSP's rights system to ensure compliance with standards established for the promotion and protection of recipient rights.*

**AUDITOR'S  
COMMENTS TO  
AGENCY  
PRELIMINARY  
RESPONSE**

We do not dispute that ORR's records indicated it conducted on-site assessments of the CMHSPs and LPHs; however, as noted in the finding, ORR's review documentation frequently lacked key information to fully support ORR's assessment conclusions. In addition, while ORR's response indicates its practice was to conduct exit interviews for all on-site assessments, mitigating the risk of being questioned or challenged, none of the 16 sampled assessments we reviewed included evidence ORR had conducted exit interviews to review the assessment findings and/or additional evidence to prove compliance with standards.

Consequently, our finding and recommendations stand as written.

## FINDING 5

### Improved communication of recipient guaranteed rights and ORR contact information needed in SPHs.

ORR needs to improve its communication to help ensure recipients are aware of their guaranteed rights, the availability of ORR services to help ensure protection of those rights, and the appropriate contact information to seek ORR's rights protection services. In addition, ORR may not be in compliance with State law requirements for providing this information to recipients.

MHC requires ORR to ensure recipients, parents of minor recipients, and guardians or other legal representatives have access to summaries of the rights guaranteed by Chapters 7 and 7a. Also, they are required to be notified of those rights in an understandable manner, both at the time services are requested and periodically during the time services are provided to the recipient. MHC also requires ORR to ensure its telephone number and address and the names of rights officers are conspicuously posted in all service sites.

The significance of posting this information in all service sites was reinforced by SPH staff responses to our survey in which over 30% of respondents indicated posting ORR signs within SPH is the most effective way for ORR to inform recipients about its services and their rights.

ORR utilizes standardized signage within SPHs that includes examples of rights guaranteed by Chapters 7 and 7a, the SPH name, ORR's telephone number, and the ORR rights advisors' name(s). The ORR rights advisors located at each of the SPHs are expected to ensure the standardized signs are posted within each SPH unit. Some SPH units also display ORR information using other means, such as plaques with ORR's telephone number above or near the telephone. In addition, ORR's practice is to provide new inpatient recipients with an informational booklet outlining MHC-guaranteed rights and ORR contact information.

All four SPHs had at least one unit lacking posted examples of MHC-guaranteed rights and/or required ORR contact information.

Between August and September 2024, we performed walk-throughs at each of the four SPHs and examined ORR's rights informational booklets for new inpatient recipients. Our review noted:

- a. ORR did not always post its standardized signage or other required ORR information. We noted deficiencies at all four SPHs as outlined in the table below:

SPH	Number of Units Observed	Number of SPH Units Observed Without Required Information Posted			
		Missing Examples of MHC Guaranteed Rights	Missing ORR's		
			Address	Rights Advisor Name(s)	Telephone Number
Kalamazoo Psychiatric Hospital	6	5 (83%)	6 (100%)	5 ( 83%)	None
Walter Reuther Psychiatric Hospital	4*	1 (25%)	4 (100%)	2 ( 50%)	1 (25%)
Caro Psychiatric Hospital	4	None	4 (100%)	4 (100%)	None
Center for Forensic Psychiatry	8	None	8 (100%)	None	None
Total	22	6 (27%)	22 (100%)	11 ( 50%)	1 ( 5%)

\* Walter Reuther Psychiatric Hospital has 5 units; however, one unit was under quarantine while we were on-site, and we were not able to perform a walk-through of that unit.

ORR contact information was not always provided within its rights informational booklet for distribution at SPHs.

ORR informed us it did not provide the applicable SPH address on its standardized sign because SPH inpatient recipients are on-site. In addition, ORR informed us it believed some SPH units were missing ORR's standardized signs because inpatient recipients or SPH staff had removed them.

- b. ORR did not consistently provide all ORR contact information within the rights informational booklet for 3 (75%) of the 4 SPHs. This is of particular importance because ORR's posted signage at all 3 of these SPHs also lacked pertinent ORR contact information (see table in part a.).

ORR informed us it does not believe the contact information is required to be included in the rights informational booklet.

## RECOMMENDATION

We recommend ORR improve its communication to help ensure recipients are aware of their guaranteed rights, the availability of ORR services to help ensure protection of those rights, and the appropriate contact information to seek ORR's rights protection services.

## AGENCY PRELIMINARY RESPONSE

MDHHS provided us with the following response:

*ORR agrees with the finding and recognizes there are always opportunities for improvement in ensuring patients and families have access to ORR contact information. Although not required, ORR agrees adding specific ORR contact information to the rights informational booklet would be beneficial. ORR will work with SHA to ensure contact information is added to each rights information booklet prior to distribution. Sec. 754(6)(a) requires that ORR ensure that recipients, parents of minor recipients, and guardians or other legal representatives have access to summaries of the rights guaranteed by this chapter and chapter 7a and are notified of those rights in an understandable manner, both at the time services are initiated and periodically during the time services are provided to the recipient. ORR accomplishes this requirement by providing the required summary of rights in the rights informational booklet that is distributed by the hospital as part of the patient's admission packet and is also available in the hospital lobby or upon request.*

*ORR has revised posters to include the facility address and updated rights advisor names. ORR will work with the State Hospital Administration (SHA) to ensure signage is secure and less easily removed by staff or patients. It should be noted that although over 30% of SHA staff responses to the OAG survey indicated posting ORR signs within the hospital as the most effective way for ORR to inform recipients about ORR's services and their rights, no patients or other stakeholders were surveyed for input.*

## FINDING 6

### **Improvement needed in the timely provision and monitoring of ORR and SPH employee training.**

Two central ORR employees received recipient rights protection training over 2 months after their hire date.

ORR was unable to demonstrate monitoring related to SPH employees' recipient rights protection training to ensure training was consistently provided to these individuals within the mandated time frame.

ORR needs to improve its timely provision and monitoring of ORR and SPH employee training. Doing so would help ORR ensure it fulfills its statutory responsibilities and these employees consistently receive timely recipient rights protection training, including reporting alleged incidents of abuse or neglect.

MCL Section 330.1754 requires ORR to ensure all individuals employed by MDHHS receive department-approved training related to recipient rights protection within 30 days of employment.

We noted:

- a. ORR did not ensure 2 (40%) of the 5 central ORR employees hired between October 1, 2021 and May 11, 2024 timely received the required recipient rights protection training. These 2 employees received the training 66 and 96 days after their hire date.

ORR informed us the e-mail sent to ORR staff regarding this training did not advise the new employees of the 30-day time frame requirement, nor did MDHHS's ORR staff training policy indicate this training was required for all staff within 30 days of beginning employment.

- b. ORR needs to improve its monitoring of SPH employee recipient rights protection training. ORR informed us it requests quarterly training reports from the SPH directors to monitor its employees' ORR trainings; however, ORR was unable to provide 16 (31%) of 51 SPH quarterly reports from October 1, 2021 through June 30, 2024 to demonstrate its monitoring procedures.

ORR informed us although it requested the quarterly reports, it did not always receive them and relied on the SPHs to ensure their employees received the training within the mandated time frame.

## RECOMMENDATION

We recommend ORR improve its timely provision and monitoring of ORR and SPH employee training.

## AGENCY PRELIMINARY RESPONSE

MDHHS provided us with the following response:

*MDHHS agrees with the finding and recognizes there are always opportunities for improvement. The Michigan Civil Service Commission's new hire process was revised on October 24, 2024, to clarify that recipient rights (ORR) training is required to be completed within 30 days of employment. Currently, ORR receives a report from Michigan Public Health Institute (MPHI) listing MDHHS employees who completed the ORR new hire training. To enhance ORR's ability to ensure all MDHHS central office employees are trained in a timely manner, ORR, MPHI, MDHHS Office of Human Resources, and MDHHS Workforce*

*Transformation implemented a robust process to track all MDHHS employees' date of hire and ORR training date of completion, effective January 2025.*

*Separately, ORR ensures the State Hospital Administration has policies and contract language in place to ensure all state hospital staff and contract providers have training in recipient rights within 30 days of employment. The Administrative Policy for Facilities (APF 132), Definitions and Reporting of Abuse and Neglect, effective October 1, 2015, requires that "the hospital or center director shall be responsible for assuring that all employees, volunteers and agents of MDHHS are trained in the requirements for reporting alleged incidents of abuse or neglect, and in the rights of recipients, prior to, or within 30 days of, beginning work which requires contact with recipients of mental health services." While the State Hospital Administration has assured that its employees have been trained within 30 days in order to begin working in the unit, ORR has developed a new process with this employee group as well to ensure this training is being tracked appropriately.*

*This new standardized reporting process was developed by ORR in November 2024 to improve its monitoring of state psychiatric hospital employee trainings. ORR notified state psychiatric hospital directors that a new standardized reporting tool must be utilized that includes the date of hire and the date staff completed ORR training beginning with the October 2024 through December 2024 reporting period. The quarterly reports are required to be submitted to the MDHHS-ORR training email inbox and will be monitored by the ORR training department to ensure continued compliance with the training requirements.*

## FINDING 7

### **Improved Appeals Committee training and education practices needed.**

ORR could not support it provided any of the Appeals Committee members with training or education related to required topics during our 34-month audit period, and we observed instances of noncompliance with statutory and policy requirements related to timeliness, assessments of reinvestigations, and communications with appellants (see Finding 3, part d.).

ORR needs to strengthen its Appeals Committee training and education practices. Doing so would increase ORR's assurance it consistently provides required training and education to the Committee and help ensure recipient rights complaint appeals are continually addressed in accordance with requirements intended to protect and promote the rights of public mental health recipients.

In accordance with MHC, MDHHS established policies to ensure due process for all recipients, and those acting on their behalf, through the implementation of an appeals process and establishment of the Recipient Rights Appeals Committee. The Committee is responsible for hearing recipient rights complaint appeals brought by or on behalf of recipients in SPHs or, by agreement with MDHHS, LPHs. The Committee is composed solely of individuals who are not MDHHS employees.

State law requires:

- MDHHS to appoint an Appeals Committee composed of seven individuals not employed by MDHHS.
- ORR to provide education and training to the Committee. MDHHS policy reinforces the State law's requirement by indicating ORR shall ensure training is provided to the Committee and training topics shall include, but are not limited to, categories of rights violations, the complaint investigation process, types and weighing of evidence, explanation of the preponderance of evidence standard used by ORR to determine whether a violation occurred, and MDHHS's policies and procedures for the appeal process and functions of the Appeals Committee.

Our review of Committee training activities noted although ORR developed a Committee training manual, it could not support it provided the manual, or other training and education related to required topics, to any of the nine members serving on the Committee during our 34-month audit period from October 1, 2021 through July 31, 2024. This included 3 (33%) members newly appointed to the Committee during 2022. In addition, during our review of Committee records, we observed instances of noncompliance with statutory and policy requirements related to timeliness, assessments of reinvestigations, and communications with appellants (see Finding 3, part d.) indicating the potential need for and benefit of strengthened Committee training and education practices.

ORR informed us it primarily relied on informal and undocumented training practices for the Committee and provided an ORR staff member to be available to provide the Committee technical assistance, when needed.

## RECOMMENDATION

We recommend ORR strengthen its Appeals Committee training and education practices.

**AGENCY  
PRELIMINARY  
RESPONSE**

MDHHS provided us with the following response:

*ORR agrees that maintaining records clearly documenting appeals committee member training educational material distribution will provide support that trainings were completed and improve the current process. ORR provides training to appeals committee members on an as needed basis, attends appeals meetings to provide technical guidance and maintains a training manual for committee members as required by MDHHS policy. Training is provided as needed because a majority of the committee members have appeals experience prior to joining the committee; however, ORR will document the distribution of training materials to new members going forward and will document any trainings held.*

*ORR disagrees that documentation of appeals committee training had an impact on the exceptions identified within {Finding 3}, related to timeliness, assessments of investigations and communication with appellants. All exceptions cited occurred prior to 2024, which aligns with the changes made to the ORR appeals coordinator position.*

**AUDITOR'S  
COMMENTS TO  
AGENCY  
PRELIMINARY  
RESPONSE**

While we agree the change to the ORR appeals coordinator position likely improved the timeliness and documentation of appeals, we also believe ORR's inability to provide evidence Committee members obtained training contributed to the exceptions identified in Finding 3, part d. ORR's appeals training manual outlines the time frames regarding the appeal process, including the time frame for accepting or denying an appeal and meeting and reviewing the facts for accepted appeals. The appeals training manual also includes the steps required when accepting or denying an appeal and when an appeal is returned for reinvestigation, including notifying the appellant. Therefore, it is reasonable to conclude the noncompliance with statutory and policy requirements noted in Finding 3, part d. may have been mitigated if ORR provided the manual or other relevant training to the Committee members, and/or more closely monitored the Committee's activities as discussed in Finding 3. Based on the aforementioned comments, the finding stands as written.

## FINDING 8

### **Improvements needed in Siebel CRM user access controls.**

Almost one-third of active CRM users had inappropriate access based on their job responsibilities.

ORR and MDHHS need to strengthen Siebel CRM user access controls. Doing so would provide increased assurance that only authorized individuals access and/or edit CRM data, which includes sensitive and confidential recipient complaint information.

ORR uses Siebel CRM to document and track complaint allegations against SPHs. Consequently, CRM contains sensitive information such as, but not limited to, confidential recipient data, allegation descriptions and rights categories, ORR's decisions, employees charged, and actions taken.

SOM technical standards require agency information system owners to implement, monitor, and document processes approved by the Department of Technology, Management, and Budget and be compliant with the National Institute of Standards and Technology\* guidance to create, enable, modify, disable, and remove information system accounts.

As of June 27, 2024, MDHHS had 25 active CRM users. Our review disclosed:

- a. Neither ORR nor MDHHS ensured ORR CRM user access was always based on the principle of least privilege\*.

SOM technical standards require agency information system owners to specify authorized users, role membership, and authorized access for each user account and to ensure user access is based on the principle of least privilege.

We reviewed 23 active ORR CRM users as of June 27, 2024 and noted 7 (30%) of the users had ORR CRM area administrator rights, which did not align with their job responsibilities.

Neither ORR nor MDHHS had developed a standardized user access form to include the authorized roles and appropriate authorized requestor information. ORR requested access for its users by e-mailing the MDHHS CRM Administrator and, without uniquely defined authorized roles for the users' job responsibilities, the MDHHS CRM Administrator defaulted to assigning these ORR CRM users area administrator rights.

- b. Neither ORR nor MDHHS ensured ORR users' CRM access was always timely removed or disabled.

SOM technical standards require an information system to automatically disable inactive user accounts after 60 days and removal of user access within three business days of notification when accounts are no longer required, such as when users are terminated or transferred and/or when individual information system usage privileges change.

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\* See glossary at end of report for definition.



None of the sampled CRM users had CRM access removed timely; all of the removals exceeded a year after the user's departure from ORR.

Neither ORR nor MDHHS conducted required periodic reviews of CRM user accounts.

We sampled 4 of 10 ORR users whose access was removed between October 1, 2021 and June 26, 2024 and determined none of the users had their access removed timely. The removal of access ranged from 480 days to 2,980 days after users' departure from ORR.

CRM did not automatically disable inactive users after 60 days and ORR did not follow its established process to notify the MDHHS CRM Administrator when users no longer required access.

- c. Neither ORR nor MDHHS conducted required periodic reviews of user accounts to ensure access permissions remained appropriate.

SOM technical standards require agencies to review user accounts to verify they are still required and compliant with the account settings and access permissions semiannually for privileged accounts and annually for all other accounts.

MDHHS informed us it did not have a formal review process established when the CRM user base expanded and this led to periodic reviews not being completed for several years.

## RECOMMENDATION

We recommend ORR and MDHHS strengthen Siebel CRM user access controls.

## AGENCY PRELIMINARY RESPONSE

MDHHS provided us with the following response:

*MDHHS agrees with the finding and recognizes there are always opportunities to strengthen user access controls. MDHHS will continue to strengthen CRM access controls, and has adjusted access roles to align with job responsibilities for the users identified with area administrator roles. MDHHS has ended access for users who left their roles at ORR and still had an active CRM access. None of the users had system activity after departure from the department and three of the four users retired and are unable to access the system without State of Michigan network access.*

*MDHHS developed a standardized CRM user procedure to establish a process to timely notify the MDHHS CRM Administrator when users' access should be modified or disabled.*

*Also, the MDHHS CRM Administrator is currently in the process of implementing the Database Security Application (DSA) for CRM, which will document user access requests and approvals in a standardized access form that will include authorized roles and appropriate authorized requestor information. In addition, the DSA will include a semi-annual review of privileged users and an annual review for all users to ensure user permissions remain appropriate.*

## OBSERVATION 1

**Evaluation of current statutory language is likely needed to ensure the laws' overall intent is being met and provides for the best protection of mental health service recipients.**

An evaluation of current statutory language in Chapters 7 and 7a of MHC is likely needed to ensure the laws' overall intent is consistently achieved and the applicable statutes provide for the best protection of recipients receiving mental health services.

We reviewed applicable State laws and noted numerous areas in which changes may be needed to provide for clarification, consistency in application of the law, and cohesiveness between law sections. In addition to several findings within our report, the table below provides illustrative examples of potential areas where the *MCL* within Chapters 7 and 7a of MHC may need to be evaluated:

### Illustrative Examples

- 1 *MCL* Section 330.1778(1) requires ORR to immediately initiate an investigation for complaints involving alleged abuse, neglect, serious injury, or death of a recipient involving an apparent or suspected rights violation and to initiate an investigation in a timely and efficient manner for all other apparent or suspected rights violations; however, ***the MHC does not prescribe time frames for "immediate" or "timely."*** ORR's staff training materials defined immediately as within 24 hours and timely as within 10 business days of the receipt of a complaint; however, ORR often exceeded these time frames when initiating complaints (see Finding 2, part b.).
- 2 ORR evaluates each complaint received to determine whether it involves a recipient right protected by the State's MHC and, if so, whether ORR will conduct an investigation or an intervention. ORR conducted interventions for over half of all alleged rights violation complaints it received during the audit period (see Exhibit 1); however, current *MCL* language may not fully support this widely used practice and contains inconsistent language. ***We noted MCL Section 330.1778 states ORR shall initiate investigation of apparent or suspected rights violations and MCL Section 330.1754(5) indicates ORR may investigate apparent or suspected rights violations, resolve disputes relating to violations, and act on behalf of recipients to obtain appropriate remedies for any apparent violations. Neither of these sections use or define intervention.***
- 3 *MCL* Section 330.1784(5)(b) permits the appeals committee to return an appeal back to ORR and request the investigation be reopened or reinvestigated; however, *MCL* Section 330.1778(6) only permits ORR to reopen or reinvestigate if there is ***new evidence*** not presented at the time of the investigation. ***The statute is silent on whether appeals returned to ORR with a request to be reopened or reinvestigated constitute new evidence.***

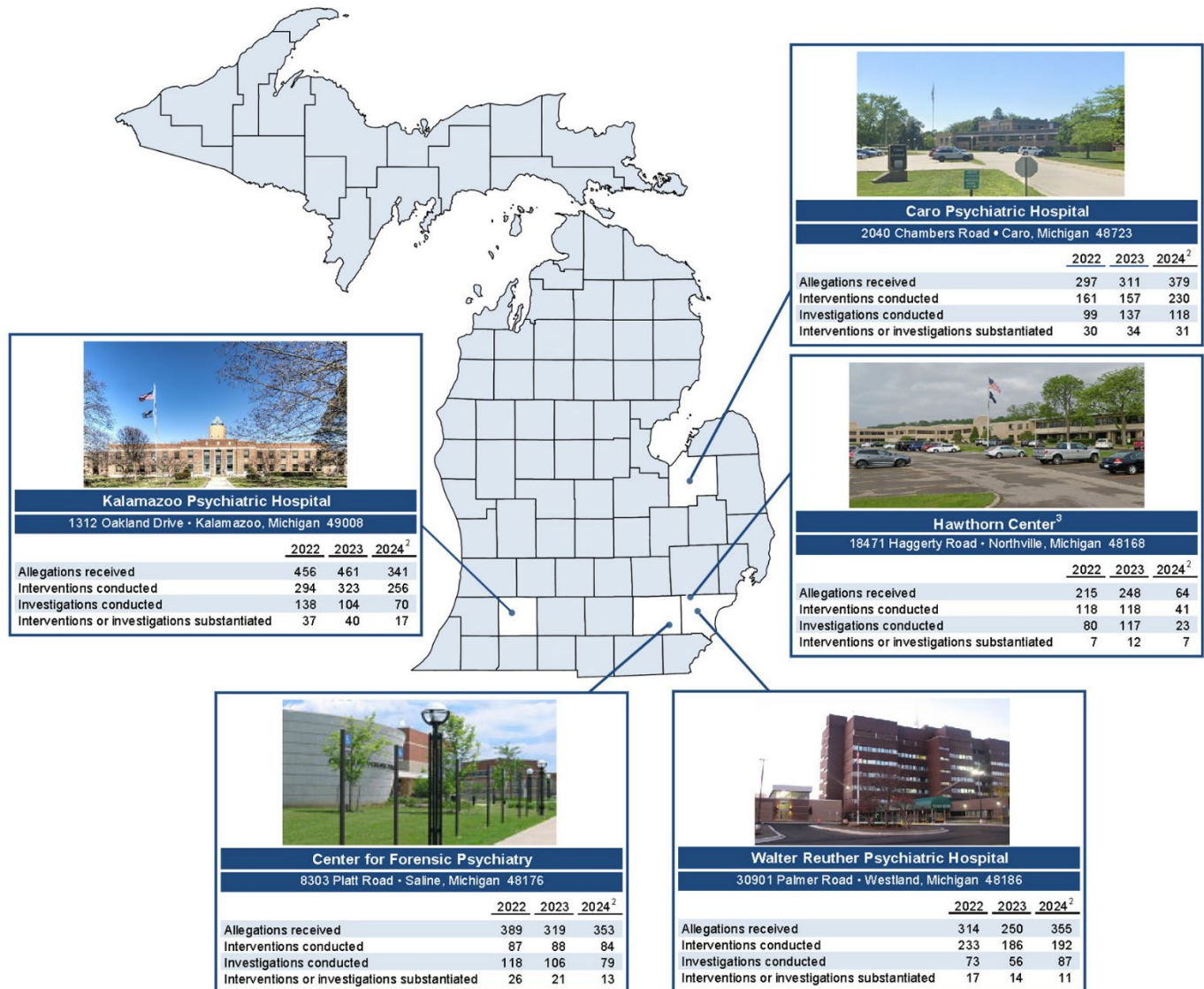
We encourage collaborative efforts by relevant stakeholders, such as the Legislature, MDHHS, and other partners and advocates, to evaluate the need for legislative clarifications and/or changes to best protect the guaranteed rights of recipients of mental health services.

# SUPPLEMENTAL INFORMATION

UNAUDITED  
Exhibit 1

## OFFICE OF RECIPIENT RIGHTS Michigan Department of Health and Human Services

SPH Recipient Rights Allegations Received<sup>1</sup>,  
Interventions and Investigations Conducted, and Allegations Substantiated  
From October 1, 2021 Through July 31, 2024



<sup>1</sup> ORR received 5,032 total allegations during the audit period, including 157 ORR counted as both an intervention and an investigation due to its escalation of the allegations. The remaining 4,875 allegations included 123 allegations received by central ORR in addition to those received at each hospital as shown in this exhibit. Of these 4,875 allegations, 31% had investigations conducted, 53% had interventions conducted, and 16% did not require an investigation or intervention.

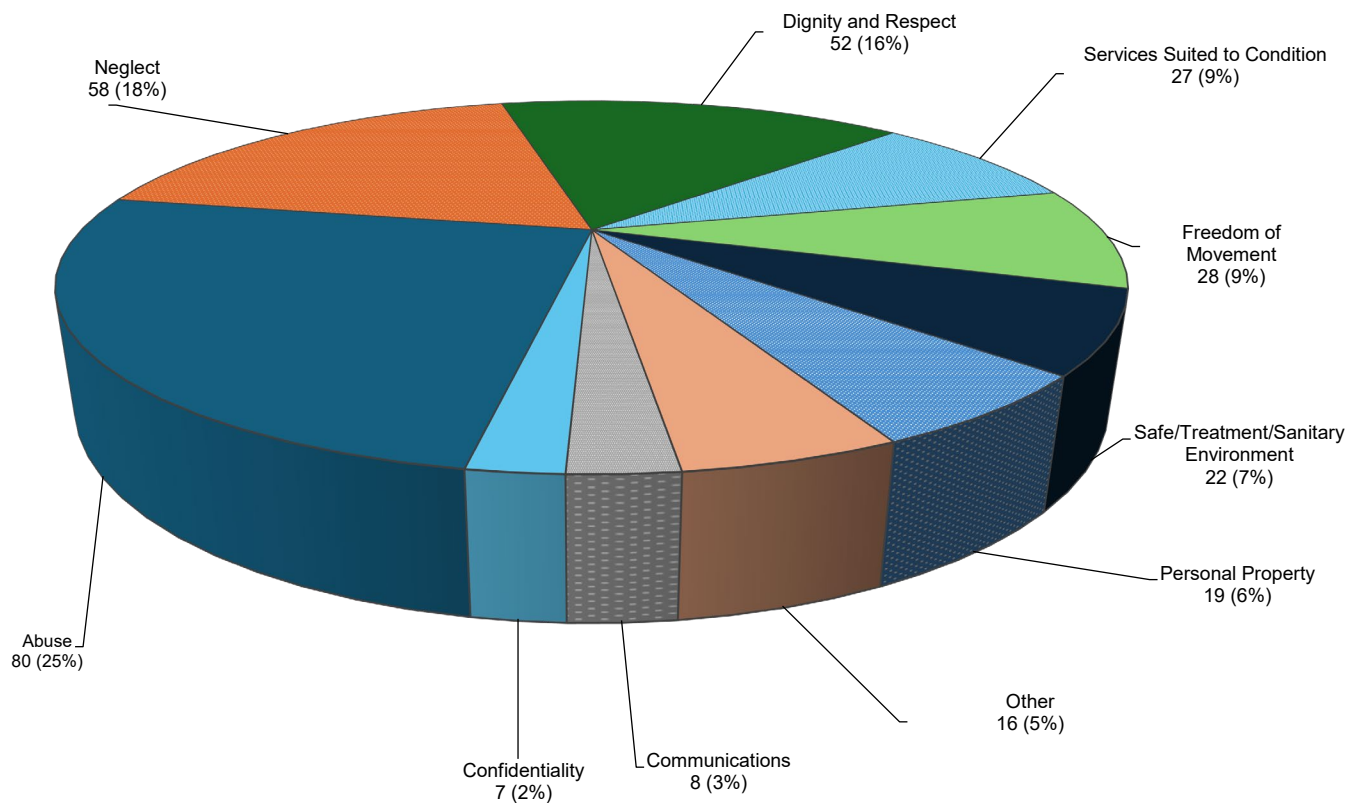
<sup>2</sup> Fiscal year 2024 is only through July 31, 2024.

<sup>3</sup> Patients were transferred to Walter Reuther Psychiatric Hospital as of July 2023 for the facility's temporary closure during construction of a new hospital expected to be completed in 2026.

Source: The OAG prepared this exhibit based on information obtained from ORR.

OFFICE OF RECIPIENT RIGHTS  
Michigan Department of Health and Human Services

Total Substantiated Recipient Rights Allegations by Protected Rights Category for SPHs  
From October 1, 2021 Through July 31, 2024



Source: The OAG prepared this exhibit based on information obtained from ORR.

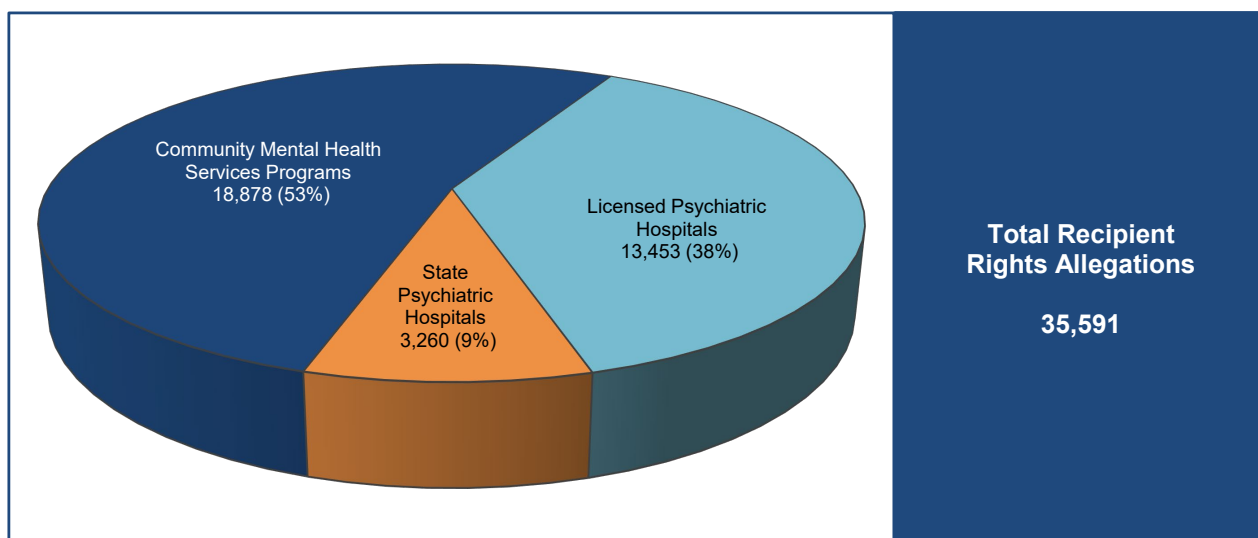
OFFICE OF RECIPIENT RIGHTS  
Michigan Department of Health and Human Services

From October 1, 2021 Through September 30, 2023

3A Recipient Rights Allegations Received, Interventions and Investigations Conducted, and Allegations Substantiated by CMHSPs and LPHs

CMHSPs			LPHs		
	2022	2023		2022	2023
Allegations received	8,239	10,639	Allegations received	5,975	7,478
Interventions conducted	365	494	Interventions conducted	1,873	1,906
Investigations conducted	6,054	6,852	Investigations conducted	706	1,720
Interventions or investigations substantiated	2,915	3,083	Interventions or investigations substantiated	481	1,021

3B Total Recipient Rights Allegations Received Statewide by CMHSPs, LPHs, and SPHs



Source: The OAG prepared this exhibit based on information obtained from ORR.

OFFICE OF RECIPIENT RIGHTS  
Michigan Department of Health and Human Services

Descriptions of Select Protected Recipient Rights Complaints Received by SPHs  
From October 1, 2021 Through July 31, 2024

Select Protected Rights	Description
Abuse, Class I	Non-accidental act, or provocation of another to act, by an employee, volunteer, or agent of MDHHS, which caused or contributed to the death or sexual abuse of or serious physical harm to a recipient.
Abuse, Class II	Any of the following by an employee, volunteer, or agent of MDHHS: <ul style="list-style-type: none"> <li>a. Non-accidental act, or provocation of another to act which caused, or contributed to, non-serious physical harm to a recipient.</li> <li>b. Use of unreasonable force on a recipient, with or without apparent harm.</li> <li>c. Any action, or provocation of another to act, which causes, or contributes to, emotional harm to a recipient.</li> <li>d. An action taken on behalf of a recipient, by assuming incompetence, although a guardian has not been appointed or sought, which results in substantial economic, material, or emotional harm to the recipient.</li> <li>e. Exploitation of a recipient.</li> </ul>
Abuse, Class III	The use of language, or other means of communication, by an employee, volunteer, or agent of MDHHS, to degrade, threaten, or sexually harass a recipient.
Neglect, Class I	Either of the following: <ul style="list-style-type: none"> <li>a. Acts of commission or omission by an employee, volunteer, or agent of MDHHS which result from noncompliance with a standard of care or treatment required by laws, rules, policies, guidelines, written directives, procedures, or individual plan of service and which cause, or contribute to, the death, or sexual abuse of, or serious physical harm to a recipient.</li> <li>b. Failure to report apparent or suspected abuse, class I or neglect, class I of a recipient.</li> </ul>
Neglect, Class II	Either of the following: <ul style="list-style-type: none"> <li>a. Acts of commission or omission by an employee, volunteer, or agent of MDHHS which result from noncompliance with a standard of care or treatment required by laws, rules, policies, guidelines, written directives, procedures, or individual plan of service which either placed or could have placed a recipient at risk of physical harm.</li> <li>b. Failure to report apparent or suspected abuse, class II or neglect, class II of a recipient.</li> </ul>
Neglect, Class III	Either of the following: <ul style="list-style-type: none"> <li>a. Acts of commission or omission by an employee, volunteer, or agent of MDHHS which result from noncompliance with a standard of care or treatment required by laws, rules, policies, guidelines, written directives, procedures, or individual plan of service which either placed or could have placed a recipient at risk of physical harm.</li> <li>b. Failure to report apparent or suspected abuse, class III or neglect, class III of a recipient.</li> </ul>
Dignity and Respect	<p>Dignity: To be treated with esteem, honor, and politeness; to be addressed in a manner that is not patronizing or condescending; to be treated as an equal; to be treated the way an individual would like to be treated.</p> <p>Respect: To show deferential regard for; to be treated with esteem, concern, consideration, or appreciation; to protect the individual's privacy; to be sensitive to cultural differences; to allow an individual to make choices.</p>

*This exhibit continued on next page.*



Select Protected Rights	Description
Services Suited to Condition	The right of a recipient to receive mental health services suited to his or her condition.
Movement/Restriction	The right of a recipient to the least restrictive conditions necessary to achieve the purpose of treatment with due safeguards for the safety of persons and property, including the right of the recipient to freedom of movement on the grounds and in the buildings and areas within the facility suitable for and designated for recreational or vocational activities or for social interaction.
Personal Property	The right of a recipient to receive, possess, and use all personal property, including clothing.
Safe/Treatment/Sanitary Environment	The right of a recipient to receive mental health services provided in a safe, sanitary, and humane treatment environment.
Communications	The right of a recipient to unimpeded, private, and uncensored communication with others by mail and telephone and to visit with persons of his or her choice.
Confidentiality	Information in the record of a recipient, and other information acquired in the course of providing mental health services of a recipient, shall be kept confidential and is not open to public inspection.
Physical Restraint	A recipient shall not be placed in physical restraint except under certain conditions, such as preventing the recipient from physically harming himself, herself, or others, or preventing him or her from causing substantial property damage.
Money	The right that money in the account of a recipient is safeguarded against theft, loss, or misappropriation.
Spiritual Means/Religion	A spiritual discipline or school of thought upon which a recipient wishes to rely to aid physical or mental recovery and includes easy access, at the recipient's expense, to printed, recorded, or visual material essential or related to treatment by spiritual means and to a symbolic object of similar significance.
Person-Centered Planning	The recipient's right to a person-centered planning process used to develop a written individual plan of service in partnership with the recipient.
Seclusion	Seclusion shall only be used in certain circumstances and only if it is essential in order to prevent the resident from physically harming others, or in order to prevent the recipient from causing substantial property damage.
Entertainment Materials, Information, and News	The right of a recipient to not be prevented from acquiring, at personal expense, and/or reading, listening to, or viewing, entertainment material, information, and news.
Labor	The right of a recipient to be compensated appropriately and in accordance with applicable federal and State labor laws for performing labor that contributes to the operation and maintenance of the hospital or center for which it would otherwise employ someone only if the recipient voluntarily agrees to perform the labor, engaging in the labor would be not inconsistent with the individual plan of service, and the amount of time or effort necessary to perform the labor is not excessive.
Fingerprinting, Photographing, Audio and Video Recording, and Use of One-Way Glass	The right of a recipient to not be fingerprinted, photographed, audio recorded, or viewed through a 1-way glass except in certain circumstances, such as to provide services including research or for educational or training purposes, only when prior consent is obtained. Video surveillance may be conducted for purposes of safety, security, and quality improvement; however, it may only be conducted in common areas.
Access to Record	The right of a recipient to request access to his or her treatment record, challenge factual information in the record, and include a statement in the record if it contains incorrect information.

Source: The OAG prepared this exhibit based on information obtained from ORR, MHC, and MDHHS policy.

## DESCRIPTION

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Public Act 290 of 1995 amended MHC to create ORR within MDHHS as a subordinate only to the MDHHS director. The mission of ORR is to protect and promote the constitutional and statutory rights of recipients of public mental health services and empower recipients to fully exercise these rights. Its primary mandates are to promote and provide rights protection to individuals admitted to SPHs and programs; monitor the quality and effectiveness of recipient rights protection systems in Michigan; and provide technical assistance and training to internal and external stakeholders including, but not limited to, MDHHS, CMHSP, and LPH staff.

From October 1, 2021 through May 16, 2024, ORR expended \$7.5 million, with personnel costs exceeding 96% of total expenditures. As of April 2025, ORR had 25 employees, including 10 rights advisors located at SPHs.

From October 1, 2021 through July 31, 2024, ORR received 5,032 complaints.



## AUDIT SCOPE, METHODOLOGY, AND OTHER INFORMATION

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### AUDIT SCOPE

To examine the records and processes related to ORR. 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.

As part of the audit, we considered the five components of internal control\* (control environment, risk assessment, control activities, information and communication, and monitoring activities) relative to the audit objectives and determined all components were significant.

### PERIOD

Our audit procedures, which included a preliminary survey, audit fieldwork, report preparation, analysis of agency responses, and quality assurance, generally covered October 1, 2021 through July 31, 2024.

### METHODOLOGY

We conducted a preliminary survey to gain an understanding of ORR's processes and activities related to protecting and promoting the rights of recipients of public mental health services. During our preliminary survey, we:

- Interviewed ORR management and staff to gain an understanding of ORR's respective roles, responsibilities, and activities related to recipient rights.
- Reviewed applicable sections of MHC in the *MCL*, MDHHS policies and procedures, contracts, and interagency agreements related to ORR.
- Analyzed available ORR records, data, and statistics.
- Analyzed ORR expenditure data from October 1, 2021 through May 16, 2024.
- Performed preliminary testing of selected SPH complaints to determine if ORR complied with select MHC requirements and MDHHS policy and to assess the accuracy of Siebel CRM.
- Performed on-site examinations of ORR's records, processes, and selected complaint files for its recipient rights offices located at the four SPHs open as of July 2024.

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\* See glossary at end of report for definition.

- Observed ORR's rights specialists conducting on-site assessments of a CMHSP's and an LPH's recipient rights systems.

## OBJECTIVE

To assess the sufficiency of selected ORR efforts to protect and promote the rights of recipients of public mental health services.

To accomplish this objective, we:

- Randomly sampled 240 complaints from the population of 5,032 complaints ORR records indicated were received from October 1, 2021 through July 31, 2024. We performed the following audit procedures, as applicable:
  - Inspected all sampled complaints for select required documentation.
  - Reviewed ORR's complaint collection and evaluation process and assessed the timeliness of initiation for the 186 complaints containing both the date of the complaint provided by the complainant and ORR's collection date stamp.
  - Reviewed 201 non-abuse and neglect complaints to determine if ORR's rights categorization of the complaint was appropriate.
  - Evaluated whether ORR had met the timeliness requirements set forth in MHC and MDHHS policy, as applicable, for the 214 complaints with ORR's collection date stamp.
  - Reviewed 63 complaints to evaluate whether ORR documented its pursuit and availability of video and/or audio evidence during the investigation.
- Performed walk-throughs at each of the four SPHs between August and September 2024 to observe and evaluate the location of drop boxes and ORR signage; storage of files for complaints, investigations, and interventions; and availability of video surveillance systems.
- Reviewed ORR's rights informational booklet provided to recipients upon admission to determine if it contained an understandable summary of the rights guaranteed by MHC and applicable ORR contact information.
- Obtained and reviewed the 17 SPH and LPH appeals received and/or with an Appeals Committee decision between October 1, 2021 and July 16, 2024 to determine if ORR's monitoring of the Appeals Committee's timeliness and maintenance of supporting documentation for its activities was sufficient.

- Assessed ORR's CMHSP and LPH on-site assessment review tools to determine if they aligned with select areas of MHC, *Michigan Administrative Code* rules, and contractual and interagency agreement requirements.
- Analyzed ORR's CMHSP on-site assessment schedules and its annual reports to determine if each CMHSP received an on-site assessment at least once between 2021 and 2024 and it was within 3 years from the prior one.
- Randomly sampled 16 of 90 CMHSP and LPH on-site assessments completed between November 30, 2021 and July 16, 2024 to determine if ORR's review documentation supported the final assessment results and received required plans of action, as applicable, for noted deficiencies.
- Evaluated ORR's procedures for conducting annual reviews of CMHSPs.
- Verified all 46 CMHSPs and 54 LPHs submitted semiannual and annual statistical rights data for fiscal year 2023 and semiannual statistical rights data for fiscal year 2024 to ORR, as applicable, and evaluated its utilization of the submitted data.
- Assessed ORR's training materials to determine if they aligned with select areas of MHC and ORR policy.
- Reviewed training records for the 5 central ORR employees hired between October 1, 2021 and May 11, 2024 to determine if they received recipient rights protection training within 30 days of employment.
- Reviewed training support for the 19 ORR employees employed between October 1, 2021 and May 11, 2024 required to attend annual training to determine compliance with the requirements.
- Randomly sampled 5 of the 132 approved continuing education courses available between October 1, 2021 through May 21, 2024 to determine if ORR appropriately approved these courses not sponsored or provided by MDHHS.
- Randomly sampled 5 of the 16 ORR employees employed between October 1, 2021 and May 11, 2024 with at least three years of service to determine if they met ORR's continuing education requirements.
- Evaluated if ORR provided required education and training to its RRAC.

- Requested all 51 SPH quarterly training reports from October 1, 2021 through June 30, 2024 to determine if ORR obtained the reports and monitored the SPH employee recipient rights protection training.
- Reviewed ORR's Appeals Committee training activities for the nine members serving on the Appeals Committee during the audit period.
- Evaluated ORR's quarterly and annual reporting processes and verified ORR prepared and submitted the required MHC fiscal year reports to the appropriate parties within the required time frames from October 1, 2021 through July 31, 2024.
- Randomly and judgmentally sampled 9 of 51 SPH and LPH patient deaths reported to ORR with investigative activity between October 1, 2021 and July 31, 2024 to determine if ORR obtained the documentation required by MDHHS policy and performed an investigation, if required.
- Compared ORR's log of SPH and LPH reported patient deaths with its annual reports for fiscal years 2021 through 2023 to determine if ORR reported all patient deaths to the Legislature.
- Reviewed the ORR director's education and experience qualifications.
- Assessed selected Siebel CRM user access controls for:
  - All 23 active ORR CRM users as of June 27, 2024.
  - 3 randomly selected users from the population of 9 new CRM users between October 1, 2021 and June 27, 2024.
  - 4 judgmentally and randomly selected users from the population of 10 ORR CRM users whose access was removed between October 1, 2021 and June 26, 2024.
- Surveyed approximately 1,300 SPH employees as of August 27, 2024 and examined the 163 responses received related to ORR's operations, recipient rights training, and processes for recipient rights complaints.

We selected our random samples to eliminate bias and enable us to project the results to the respective populations. We selected other samples judgmentally to ensure representativeness or based on risk and could not project those results to the respective populations.

## CONCLUSIONS

We base our conclusions on our audit efforts and any resulting material conditions or reportable conditions.

When selecting activities or programs for audit, we direct our efforts based on risk and opportunities to improve State government operations. Consequently, we prepare our performance audit reports on an exception basis.

## AGENCY RESPONSES

Our audit report contains 8 findings and 9 corresponding recommendations. MDHHS's preliminary response indicates it agrees with 5, partially agrees with 2, and disagrees with 2 of our recommendations.

The agency preliminary response following each recommendation in our report was taken from the agency's written comments and oral discussion at the end of our fieldwork. Section 18.1462 of the *Michigan Compiled Laws* and the State of Michigan Financial Management Guide (Part VII, Chapter 3, Section 100) require an audited agency to develop a plan to comply with the recommendations and to submit it to the State Budget Office upon completion of an audit. Within 30 days of receipt, the Office of Internal Audit Services, State Budget Office, is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

## PRIOR AUDIT FOLLOW-UP

Following is the status of the reported findings from our August 2014 performance audit of the Office of Recipient Rights, Department of Community Health (391-0120-13):

Prior Audit Finding Number	Topic Area	Current Status	Current Finding Number
1	Timeliness of Complaint Resolution	Rewritten*	2
2	Review of Recipient Deaths	Not applicable	Not applicable
3	Complaint Notifications	Rewritten	2
4	Incident Reports	Rewritten	3c
5	Community Mental Health Services Program (CMHSP) Assessments	Rewritten	4
6	Semiannual Recipient Rights Data	Complied	Not applicable
7	New Employee Recipient Rights Training	Rewritten	6
8	Contract Procurement	Not in the scope of this audit.	

## SUPPLEMENTAL INFORMATION

Our audit report includes supplemental information presented as Exhibits 1 through 4. Our audit was not directed toward expressing a conclusion on this information.

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\* See glossary at end of report for definition.

## GLOSSARY OF ABBREVIATIONS AND TERMS

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<b>access controls</b>	Controls protecting data from unauthorized modification, loss, or disclosure by restricting access and detecting inappropriate access attempts.
<b>allegation</b>	An assertion of fact made by an individual not yet proven or supported with evidence. Commonly referred to as a rights complaint.
<b>Appeals Committee</b>	Recipient Rights Appeals Committee.
<b>auditor's comments to agency preliminary response</b>	Comments the OAG includes in an audit report to comply with <i>Government Auditing Standards</i> . Auditors are required to evaluate the validity of the audited entity's response when it is inconsistent or in conflict with the findings, conclusions, or recommendations. If the auditors disagree with the response, they should explain in the report their reasons for disagreement.
<b>community mental health services program (CMHSP)</b>	A program operated under Chapter 2 of MHC as a county community mental health agency, a community mental health authority, or a community mental health organization.
<b>complainant</b>	An individual who files a rights complaint.
<b>CRM</b>	Customer Relationship Management.
<b>incident report</b>	A mechanism to document and report an occurrence of a deviation or disruption causing an adverse effect on the course of treatment, care, and services of a patient or on the customary cadence of a patient unit or hospital administration. Events requiring an incident report include, but are not limited to, patient deaths, any injuries to patients, medication errors, manual holds, allegations of patient abuse or neglect, patient suicide attempts, unauthorized leave of absences, etc.
<b>internal control</b>	The plan, policies, methods, and procedures adopted by management to meet its mission, strategic plan, goals, and objectives. Internal control includes the processes for planning, organizing, directing, and controlling program operations. It also includes the systems for measuring, reporting, and monitoring program performance. Internal control serves as a defense in safeguarding assets and in preventing and detecting errors; fraud; violations of laws, regulations, and provisions of contracts and grant agreements; or abuse.

<b>intervention</b>	To act on behalf of a recipient to resolve a complaint alleging a violation of an MHC-protected right when the facts are undisputable and the remedy, if applicable, is clear, easily obtainable, and does not involve statutorily required disciplinary action.
<b>investigation</b>	Detailed inquiry into and systematic examination of an allegation raised in a rights complaint.
<b>LARA</b>	Department of Licensing and Regulatory Affairs.
<b>LPH</b>	licensed psychiatric hospital.
<b>material condition</b>	A matter, in the auditor's judgment, which is more severe than a reportable condition and could impair the ability of management to operate a program in an effective and efficient manner and/or could adversely affect the judgment of an interested person concerning the effectiveness and efficiency of the program. Our assessment of materiality is in relation to the respective audit objective.
<b>MCL</b>	<i>Michigan Compiled Laws.</i>
<b>MDHHS</b>	Michigan Department of Health and Human Services.
<b>MHC</b>	Mental Health Code.
<b>mission</b>	The main purpose of a program or an entity or the reason the program or the entity was established.
<b>National Institute of Standards and Technology (NIST)</b>	An agency of the U.S. Department of Commerce. NIST's Computer Security Division develops standards, security metrics, and minimum security requirements for federal programs.
<b>observation</b>	A commentary highlighting certain details or events which may be of interest to users of the report. An observation may not include all of the attributes (condition, effect, criteria, cause, and recommendation) presented in an audit finding.
<b>ORR</b>	Office of Recipient Rights.
<b>performance audit</b>	An audit which provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight in

using the information to improve program performance and operations, reduce costs, facilitate decision-making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

<b>principle of least privilege</b>	The practice of limiting access to the minimal level which will allow normal functioning. Applied to employees, the principle of least privilege translates to giving people the lowest level of user access rights they can have and still do their jobs. The principle also applied to things other than people, including programs and processes.
<b>recipient</b>	An individual who receives mental health services, either in person or through telemedicine, from the department, a CMHSP, or a facility or from a provider that is under contract with the department or a CMHSP.
<b>reportable condition</b>	A matter, in the auditor's judgment, less severe than a material condition and falls within any of the following categories: a deficiency in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; opportunities to improve programs and operations; or fraud.
<b>rewritten</b>	The recurrence of similar conditions reported in a prior audit in combination with current conditions warranting the prior audit recommendation to be revised for the circumstances.
<b>RIF</b>	report of investigative findings.
<b>rights complaint</b>	A written or oral allegation that meets the requirements of Section 776 of the MHC.
<b>RRAC</b>	Recipient Rights Advisory Committee.
<b>SHA</b>	State Hospital Administration.
<b>SPH</b>	State psychiatric hospital.







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