



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

ORLENE HAWKS  
DIRECTOR

March 14, 2022

Ira Combs, Jr.  
Christ Centered Homes, Inc.  
327 West Monroe Street  
Jackson, MI 49202

RE: License #: AS380016315  
Investigation #: 2022A0007013  
Brown Street Home

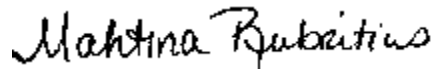
Dear Mr. Combs, Jr.:

Attached is the Special Investigation Report for the above referenced facility. Due to the violations identified in the report, a written corrective action plan is required. The corrective action plan is due 15 days from the date of this letter and must include the following:

- How compliance with each rule will be achieved.
- Who is directly responsible for implementing the corrective action for each violation.
- Specific time frames for each violation as to when the correction will be completed or implemented.
- Indicate how continuing compliance will be maintained once compliance is achieved.
- Be signed and dated.

Please review the enclosed documentation for accuracy and contact me with any questions. In the event that I am not available and you need to speak to someone immediately, please contact the local office at (313) 456-0380.

Sincerely,



Mahtina Rubritius, Licensing Consultant  
Bureau of Community and Health Systems  
Cadillac Place  
3026 W. Grand Blvd., Ste. #9-100  
Detroit, MI 48202  
(517) 262-8604

Enclosure

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
BUREAU OF COMMUNITY AND HEALTH SYSTEMS  
SPECIAL INVESTIGATION REPORT**

**I. IDENTIFYING INFORMATION**

<b>License #:</b>	AS380016315
<b>Investigation #:</b>	2022A0007013
<b>Complaint Receipt Date:</b>	01/07/2022
<b>Investigation Initiation Date:</b>	01/07/2022
<b>Report Due Date:</b>	03/08/2022
<b>Licensee Name:</b>	Christ Centered Homes, Inc.
<b>Licensee Address:</b>	327 West Monroe Street Jackson, MI 49202
<b>Licensee Telephone #:</b>	(517) 499-6404
<b>Administrator:</b>	Ira Combs, Jr.
<b>Licensee Designee:</b>	Ira Combs, Jr.
<b>Name of Facility:</b>	Brown Street Home
<b>Facility Address:</b>	1203 Brown Street Jackson, MI 49203-2732
<b>Facility Telephone #:</b>	(517) 250-7930
<b>Original Issuance Date:</b>	03/24/1995
<b>License Status:</b>	1ST PROVISIONAL
<b>Effective Date:</b>	11/24/2021
<b>Expiration Date:</b>	05/23/2022
<b>Capacity:</b>	6
<b>Program Type:</b>	PHYSICALLY HANDICAPPED DEVELOPMENTALLY DISABLED MENTALLY ILL

## II. ALLEGATION(S)

	<b>Violation Established?</b>
For the past year checks are being received and cashed for residents but money is not being put into the residents' accounts. For Resident A, approximately \$1,744.00 is unaccounted for. The accounting department has not provided an explanation as to where the consumers money is going, causing concern for misusing of resident funds. The licensee cannot account for the finances on multiple residents' accounts as their accounts are often empty.	Yes
Additional Findings	Yes

## III. METHODOLOGY

01/07/2022	Special Investigation Intake - 2022A0007013
01/07/2022	Special Investigation Initiated – Telephone to APS Supervisor #1, Interview and additional information gathered.
01/07/2022	APS Referral Received.
01/13/2022	Inspection Completed On-site - Unannounced - I made face to face contact with two direct care staff, Resident A, Employee A, and other residents.
02/01/2022	Contact - Document Received from APS Worker #1.
02/02/2022	Contact - Document Sent to APS Worker #1. Case update.
03/02/2022	Contact - Telephone call made case discussion with Payee #2.
03/03/2022	Contact - Document Received - Ledgers and Financial information for Resident A.
03/03/2022	Inspection Completed On-site - Unannounced - at Christ Centered Homes Central Office. Face to face contact with Office Worker #1.
03/03/2022	Contact - Face to Face contact with Ms. Howard, Administrative Staff and Ms. Wilson, Administrative Staff at their office.

03/04/2022	Contact - Document Sent - Email to APS Worker #1. Status Update.
03/04/2022	Contact - Document Received - Email from APS Worker #1. Status Update.
03/04/2022	Contact - Document Sent - Email to APS Worker #1. Records Provided.
03/04/2022	Contact - Document Received - Email from APS Worker #1. Office Worker #2 will be sending requested document from CCH, as requested, and will be forwarded to Licensing.
03/07/2022	Contact - Telephone call made Jackson County Guardian A, Interview.
03/07/2022	Contact - Face to Face contact with Office Worker #3.
03/07/2022	Contact - Telephone call made to Office Worker #2, no answer.
03/07/2022	Contact - Telephone call made to Ms. Howard, Administrative Staff. Interview.
03/07/2022	Contact - Telephone call made to Consultant #1. Interview.
03/07/2022	Contact - Telephone call made to Mr. Combs, Interview.
03/07/2022	Contact - Telephone call made to APS Worker #1. Case discussion and update. He requested records weeks ago and still has not received them.
03/08/2022	Referral - Recipient Rights made.
03/09/2022	Contact – Document Received Email from Mr. Combs, Licensee Designee.
03/09/2022	Contact - Telephone call made to Mr. Combs, Licensee Designee to conduct the exit conference. No answer.
03/09/2022	Contact – Document Sent to Mr. Combs, Licensee Designee, regarding the exit conference. I requested a returned phone call.

## **ALLEGATIONS:**

**For the past year checks are being received and cashed for residents but money is not being put into the residents' accounts. For Resident A, approximately \$1,744.00 is unaccounted for. The accounting department has not provided an explanation as to where the consumers money is going, causing concern for misusing of resident funds. The licensee cannot account for the finances on multiple residents' accounts as their accounts are often empty.**

## **INVESTIGATION:**

It should be noted that there is a companion case, which also addresses these allegations. Please see SIR #2022A0007012 (AS380306690) for additional information.

As a part of this investigation, I reviewed the complaint and noted the specific allegations as related to Resident A, who was named in the complaint.

On January 7, 2022, I spoke with APS Supervisor #1. She provided me with additional information regarding Resident A. She informed me that APS Worker #1 had been assigned to the case and would be conducting an investigation. APS Worker #1 had also requested financial documents from Ms. Howard, Administrative Staff. APS Supervisor #1 also provided me with the contact information for Resident A's Payee (Payee #1).

On January 13, 2022, I conducted an unannounced on-site investigation and made face to face contact with two direct care staff, Resident A, Employee A, and other residents.

While at the facility, I interviewed Resident A. She could not recall her payee's name. Resident A confirmed that she did not receive her money on a regular basis.

I spoke with Employee A. She informed me that Resident A had a lot of money at Christmas time. In addition, that when Ms. Hardman was the home manager, Resident A was receiving her money for personal needs, like cigarettes on a regular basis. Employee A stated they had to beg to get \$75.00 for Resident A, so that she could purchase her cigarettes. Employee A informed that things were fine until there was a management change.

On March 3, 2022, I attempted to contact Payee #1; however, Payee #2 informed me that she no longer worked for the company. Payee #2 reported to be unaware of any financial discrepancies. Payee #2 agreed to send me a copy of the ledgers and financial information regarding Resident A.

On March 3, 2022, I conducted an unannounced on-site investigation at the Christ Centered Homes Central Office and met with Office Worker #1. She informed me that the individuals who could answer my questions were either on vacation or were out of the office. She provided me with a contact number for Office Worker #2, who handled the financials.

On March 3, 2022, I made face to face contact with Ms. Howard and Ms. Wilson, Administrative Staff. Ms. Howard was aware of the investigation as she had been in contact with APS Worker #1. Ms. Howard stated that she can only give the residents money that she is given (from the Central Office). I inquired about the payment protocols. Ms. Howard informed me that the checks are mailed from the payee to the banking institution. They receive notification once the money is received. The Central Office takes out the cost of care and fees. The resident personal funds are then moved into the client benefit account. Office Worker #2 then generates a check to the resident and Ms. Howard. Ms. Howard then tracks this money received on the *Resident Funds Part II* form. Ms. Howard did not know if each resident had separate benefit accounts. She informed me that Office Worker #2 would have that information.

According to Ms. Howard, either managers or residents will request money. The managers are required to provide a receipt of the money spent. If a resident wants cash, there is a signature form that is completed that documents that the cash was dispersed. This information is then documented on the *Resident Funds Part II* form.

According to Ms. Howard, around October of 2021, it was determined that Resident A's payee was not paying the right cost of care, shorting them about two-hundred dollars each month. In addition, that they discovered that one of Resident A's checks had been placed in the wrong account and that money was moved to correctly reflect the money Resident A had; this possibly occurred sometime in January (the correction). Ms. Howard informed me that the residents were not going without, as staff were purchasing cigarettes out of their own money, so they would have them.

I inquired about the APS investigation and Ms. Howard informed me that she was not aware of the conclusion of the investigation.

I reviewed the *AFC Assessment Plan* for Resident A and noted that regarding money, it was documented that staff would assist Resident A with managing her money.

According to the *Resident Funds Part I* form, Payee #1 and her agency is the Representative Payee for Resident A.

I reviewed the ledger and information for Resident A from Payee #2. The timeframes were from January 15, 2021, to February 16, 2022. I also reviewed the *Resident Funds Part II* form and compared the information. A summary of the following information was noted:

On the ledgers and information provided, it was noted that Payee #1 paid Christ Centered Homes \$884.50 for rent/cost of care from February 2021 to February 2022. From February 2021 to May 2021, Christ Centered homes received \$44.00 each month for Resident A's personal needs. In June and July, the personal needs money was paid, in the amount of \$50.00 each month. On July 30, 2021, \$600 dollars was paid for personal needs. There was no personal needs money sent for August but an additional \$600.00 was paid on September 1, 2021, for personal needs. In October, November, and December, the payee paid \$100 dollars each month for personal needs.

Based on my review of the *Resident Funds Part II* forms, Resident A had access to money in her account ranging from \$3.02 up to \$642.15. In November of 2021, the balance forward (from previous month) was \$28.02 and Resident A received (spent) \$25.00 in cash, making her lowest amount available to be \$3.02.

According to the documentation on the *Resident Funds Part II* form, in January of 2022, there was a balance forward of \$42.15. In addition, there was a deposit of \$600.00, bringing the balance to \$642.15. There was a purchase for cigarettes, for \$50.87, bringing the balance to \$591.28.

On March 7, 2022, I interviewed Jackson County Guardian A. I inquired about the residents she supervised that were placed in this home, and she informed me that she provided case supervision for Resident B, Resident C, and Resident D. I inquired about the payment protocols and processes. She informed me that they send the payment for AFC services. Regarding the money for personal needs, they assess the resident needs and then determine how much to send to Christ Centered Homes for that month. It's on a case-by-case basis, and they don't always send the total amount, as each resident has a budget. Once these assessments are made, checks are sent to CCH (trust fund). Sometimes the checks are sent to CCH Central Office or Office Worker #2 will pick them up. I inquired if her residents have complained about not receiving their money. Jackson County Guardian A informed me that at times, residents will complain, usually around the 1<sup>st</sup> or 3<sup>rd</sup> of the month, but it's not just at this home/agency. If the residents complain, they contact Ms. Howard, who addresses the problem. According to Jackson County Guardian A, the residents do receive the money that is sent, even if it's a little delayed.

On March 7, 2022, I conducted an on-site investigation at the CCH Central Office. I made face to face contact with Office Worker #3, who attempted to assist me as Office Worker #2, Accountant #1, and Consultant #1 were not in the office. Office Worker #3 was cooperative with the investigation.



Office Worker #3 informed me of the challenges they experienced over the past several months, including the fulltime accountant ending his employment and the servers not working. All scanned data (including personal funds) were not accessible, which meant they had to rely on their paper copies (maintained in boxes). Once the fulltime accountant left, three people picked up his job duties; Officer Worker #2, Accountant #1 (new accountant in training), and Consultant #1 (individual training the new accountant).

I inquired about the payments received process when residents have a payee. Office Worker #3 informed me that once the money is received (including cost of care and personal needs money), Office Worker #2 removes the cost of care, and the balance is sent to the home manager (homes personal funds). It was also noted that all monies go into the general funds account (with care of information), then Accountant #1 and Consultant #1 goes through the records and documents the information in Quick Books.

As a part of the investigation, I received a ledger from the Payee for Resident A, and I reviewed the *Resident Funds Part II* forms, which documented the cash received each month for Resident A. The information (related to the cost of care AFC for payments received) were not documented on the *Resident Funds Part II* forms reviewed.

While at the CCH Central Office, I specifically requested to review documentation, including banking statements, that showed payments received for the specific residents and how the money was distributed.

It should be noted that I was provided with some resident account information (for Resident A), but it appeared to be incomplete and not up to date.

It should also be noted that Office Worker #3 made phone calls to Office Worker #2 and Consultant #1, attempting to obtain additional information that I requested.

Office Worker #3 contacted Consultant #1. Consultant #1 was assisting Office Worker #2, who was working on a report to send to APS Worker #1, who had requested some of the same information. Consultant #1 informed that this information could not be provided at that time, as some of the resident names were not listed on the statements, and the information needed to be verified first, before the report could be completed.

On March 7, 2022, I attempted to contact Office Worker #2, without success.

On March 7, 2022, I contacted Ms. Howard, Administrative Staff, and inquired if she had copies of the *Resident Funds Part II* forms, related to the cost of care for AFC Payments, which she did not. Regarding payments, Ms. Howard informed me that sometimes she will go and pick up the checks from Jackson County Guardian A.

She then takes the checks to the main office, makes copies, and then place the copies in Office Worker # 2's mailbox. The checks are then taken directly to the bank and deposited into the client benefits account. I inquired if this was one account or separate accounts and Ms. Howard did not have the answer; however, she stated that when she receives the money for the resident personal care funds (including the care of information), that money comes from the same account for every resident. On March 7, 2022, I interviewed Consultant #1. She reported that she previously worked for CCH for many years and returned to assist when the previous accountant quit. She stated that she was a very honest person and would be upfront; she did not want it to seem like there was something to hide. She reported to spend a lot of time reviewing records and cleaning up problems that were discovered. It was discovered that if a resident owed money or did not pay the entire cost of care fees, the previous accountant was taking the personal needs money and applying it to the balance owed. Consultant #1 explained that no matter what, that money for personal needs, should be sent to the residents.

According to Consultant #1, in January, Ms. Howard called regarding Resident A not getting her money. The guardian said she was sending the money, but the resident was not receiving the funds. It was noted that \$1400.00 had been applied to money owed. Consultant #1 looked at a copy of the check and noticed that \$600.00 was supposed to go to Resident A. She contacted Ms. Howard and told her what was discovered and that she would be sending a check over for Resident A. Some of the information received from the banking system does not have names attached. Consultant #1 did not feel comfortable sending over the information until all information could be verified.

Regarding the payment process, when the money is deposited into the bank from the payee, every two or three days, there is an on-line banking transaction detail printed. The invoice is then paid off. Each resident has an invoice. All money goes into the account, which is sorted by a transaction detail. The cost of care is taken out of the account, then a check is generated for the personal needs/funds. The personal needs check is generated in the resident's name (including care of information).

I explained that I needed to review the additional documents (bank statements) that would help to track the resident funds. Consultant #1 informed me that she did not feel comfortable providing a report until the information could be verified.

During this conversation, I discussed resident funds and valuables rules and explained to Consultant #1 that each resident's account should be individual to the resident. In addition, it was determined that CCH would not provide documentation to demonstrate compliance.

On March 7, 2022, I interviewed Mr. Combs, Licensee Designee. I inquired if he received a variance to document AFC Payments (cost of care services) on a different form and the answer was unclear. I also explained my concerns regarding

the information received and the resident funds being in one account. He stated that the money goes into the account for consumers (residents), but it's separate for each consumer (resident), and they know who they received the money for. I also informed that all interest should be credited to the resident and questioned how this would be done if the money was put into the same account. Mr. Combs informed that technically, the money would not be in the account long enough to earn interest. Mr. Combs also stated there were issues, as Payee #1 was sending checks to the wrong location, they had been sent to the homes, and when they found the checks, they had to determine if they could be cashed. He stated that the checks from the payee never got to the operations office. I informed Mr. Combs that I requested to review additional resident funding documentation; however, that information was not provided. I told him that I would be citing CCH, as they had been unable to provide documentation to demonstrate compliance. He stated that this was the first time he had heard of it and would still be willing to provide the reports to answer any questions. I informed him that Adult Protective Services and Licensing sometimes coordinate on investigations, and the information that APS had requested had not been received as well.

During the course of this investigation, it was also noted that Christ Centered Homes recently submitted written corrective action plan to the Social Security Administration, due to violations cited regarding Christ Centered Homes not having one single place to account for how much money a resident had on hand.

<b>APPLICABLE RULE</b>	
<b>R 400.14315</b>	<b>Handling of resident funds and valuables.</b>
	<b>(5) All resident funds, which includes bank accounts, shall be kept separate and apart from all funds and monies of the licensee. Interest and dividends earned on resident funds shall be credited to the resident. Payments for care for the current month may be used by the licensee for operating expenses.</b>

<b>ANALYSIS:</b>	<p>Resident A confirmed that she did not receive her money on a regular basis.</p> <p>According to Employee A, they had to beg to get \$75.00 for Resident A, so that she could purchase her cigarettes.</p> <p>The Payee (for Resident A) provided a ledger of the monies that have been paid to Christ Centered Homes.</p> <p>Ms. Howard informed me that the residents were not going without, as staff were purchasing cigarettes out of their own money, so they would have them.</p> <p>According to Ms. Howard, the checks are taken to the bank and deposited into the client benefits account. Ms. Howard was not sure if the accounts were separate; however, she stated that when she receives the money for the resident personal care funds (including the care of information), that money comes from the same account for every resident.</p> <p>Ms. Howard reported that she can only distribute the money that is dispersed from the main office.</p> <p>Office Worker #3 informed me that once the money is received (including cost of care and personal needs money), Office Worker #2 removes the cost of care, and the balance is sent to the home manager (homes personal funds). It was also noted that all monies go into the general funds account (with care of information), then Accountant #1 and Consultant #1 goes through the records and documents the information in Quick Books.</p> <p>According to Consultant #1, in January, Ms. Howard called regarding Resident A not getting her money. The guardian said she was sending the money, but the resident was not receiving the funds. It was noted that \$1400.00 had been applied to money owed. Consultant #1 looked at a copy of the check and noticed that \$600.00 was supposed to go to Resident A. She contacted Ms. Howard and told her what was discovered and that she would be sending a check over for Resident A.</p> <p>According to Consultant #1, all money goes into the account, which is sorted by a transaction detail. The cost of care is taken out of the account, then a check is generated for the personal needs/funds. The personal needs check is generated in the resident's name (including care of information).</p>
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	<p>During the course of this investigation, I specifically requested to review additional documentation, including banking statements, that showed payments received for the specific residents and how the money was distributed. That information was not provided.</p> <p>Based on the information gathered during this investigation and provided above, it's concluded that there is a preponderance of the evidence to support the allegations that Christ Centered Homes cannot provide an accurate accounting of resident funds.</p>
<b>CONCLUSION:</b>	<b>VIOLATION ESTABLISHED</b>

**ADDITIONAL FINDINGS:**

**INVESTIGATION:**

According to the documentation on the *Resident Funds Part II* form, in January of 2022, there was a balance forward of \$42.15. In addition, there was a deposit of \$600.00, bringing the balance to \$642.15. There was a purchase for cigarettes, for \$50.87, bringing the balance to \$591.28. This amount exceeded the allotted amount of \$200.00 of cash to have on hand.

<b>APPLICABLE RULE</b>	
<b>R 400.14315</b>	<b>Handling of resident funds and valuables.</b>
	<b>(6) Except for bank accounts, a licensee shall not accept resident funds of more than \$200.00 for any resident of the home after receiving payment of charges owed.</b>
<b>ANALYSIS:</b>	The licensee accepted more than \$200.00 for Resident A, and this money was not maintained in the resident specific bank account.
<b>CONCLUSION:</b>	<b>VIOLATION ESTABLISHED</b>

**ADDITIONAL FINDINGS:**

**INVESTIGATION:**

As a part of the investigation, I received a ledger from the Payee for Resident A, and I reviewed the *Resident Funds Part II* forms, which documented the cash received each month for Resident A. The information (related to the cost of care AFC for payments received) were not documented on the *Resident Funds Part II* forms reviewed.

On March 7, 2022, I contacted Ms. Howard, Administrative Staff, and inquired if she had copies of the *Resident Funds Part II* forms, related to the cost of care for AFC Payments, which she did not.

On March 7, 2022, I interviewed Mr. Combs, Licensee Designee. I inquired if he received a variance to document AFC Payments (cost of care services) on a different form and the answer was unclear.

<b>APPLICABLE RULE</b>	
<b>R 400.14315</b>	<b>Handling of resident funds and valuables.</b>
	<b>(3) A licensee shall have a resident's funds and valuables transaction form completed and on file for each resident. A department form shall be used unless prior authorization for a substitute form has been granted, in writing, by the department.</b>
<b>ANALYSIS:</b>	During the course of this investigation, I requested to review additional information regarding the AFC Payments for cost of care; however, that information was not provided on the <i>Resident Funds Part II</i> form or in another format.
<b>CONCLUSION:</b>	<b>VIOLATION ESTABLISHED</b>

**IV. RECOMMENDATION**

Contingent upon receipt of a very detailed written corrective action plan, that includes a minimum of the following, I recommend no change to the status of the license: A clear protocol regarding the payments received processes, including central office worker responsibilities, documentation of individual resident accounts for all residents admitted into the home, and a complete accounting of the resident funds and valuables (for all residents in the home), which are held in trust and paid to the home, for the fourth quarter of 2021. In addition, a copy of the completed accounting reports shall be provided to the responsible payees for each of the residents in the home.

*Mahtina Rubritius*

03/09/2022

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Mahtina Rubritius  
Licensing Consultant

Date

Approved By:

*A. Hunter*

03/14/2022

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Ardra Hunter  
Area Manager

Date