

**Department of Community Health
SFY 2022 DOAA Audit - Statewide Single Audit
June 8, 2023**

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<u>Finding</u>	<u>New or Repeat Finding</u>	<u>Recommendation</u>	<u>Estimated Completion Date</u>
<p>1. FS-419-22-01. Strengthen Accounting Controls Overall.</p> <p>DCH should strengthen internal controls over accounting and financial reporting processes and procedures to ensure the accuracy of the information it prepares for the State’s financial statements and note disclosures.</p>	New	<p>DCH should strengthen controls over its accounting and financial reporting processes and procedures by incorporating additional analyses and thorough reviews of information. Strong internal controls over financial reporting should diminish the need for numerous PCAs to correct accounting records at year-end and help ensure that the DCH’s financial submissions are correct and accurately represent its operations to meet the State’s financial reporting needs. In addition, we recommend that DCH commit resources to research and resolve long outstanding unreconciled differences on the bank account reconciliations and identify related adjusting entries. Further, DCH should take steps to ensure that all policies and procedures are properly reviewed and approved by appropriate level of management.</p>	10/16/2023
<p>2. FS-419-22-02 & FA-419-22-01 . Continue to Strengthen Application Risk Management Program</p> <p>DCH should continue to strengthen controls over its application risk management program.</p>	Repeat	<p>DCH should continue to allocate necessary resources to implement a formal risk management program to allow management to gain reasonable assurance that the DCH will achieve its agency and program objectives and comply with operational, financial reporting, and compliance requirements. An effective risk management program should, at a minimum, address Risk Analysis, SSRs, SSPs, and Security and Privacy Policies and Procedures. DCH should also review and assess SOC reports and the CUECs expected to be in place at DCH and develop a process for tracking the results of these reviews.</p>	12/31/2023

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<p>3. FA-419-22-02. Improve Controls over Managed Care Organization Financial Audits</p> <p>DCH did not have adequate controls in place to ensure the required managed care financial audits are being conducted or the results of the required periodic audits are posted on the State’s website.</p>	Repeat	DCH should revise the current contracts with the MCOs to include a clause requiring the MCOs to submit on an annual basis, to the DCH, audited financial reports specific to the Medicaid contract. In addition, DCH should implement policies and procedures to ensure that the results of the periodic audits are posted to the State’s website in a timely manner.	6/30/2023
<p>4. FA-419-22-03. Improve Controls over Medicaid Payments after Date of Death</p> <p>DCH made improper payments to Medicaid providers after beneficiaries’ deaths.</p>	Repeat	DCH management should continue to dedicate the necessary resources and execute their plan to ensure that additional modifications to the date of death processes within GAMMIS are implemented appropriately and that Medicaid benefit payments to providers are not made after beneficiaries’ deaths. Until all appropriate modifications to the GAMMIS system are made, the DCH should perform procedures to compare the DMF to claims made after the date of death and analyze the results to identify improper payments. Additionally, DCH should investigate and recover funds for all overpayments and if necessary, refer to the Georgia Medicaid Fraud Control Unit for further investigation into any potential provider fraud or abuse. DCH should also consult with the grantor to discuss whether questioned costs identified in the audit should be repaid.	6/30/2023
<p>5. FA-419-22-04. Improve Controls over Payments for Home and Community-Based Services</p> <p>DCH made improper payments for Medicaid home and community-based services while members were in a long-term care facility.</p>	Repeat	DCH management should strengthen internal controls over home and community-based services payments to ensure improper payments are not made for Medicaid members. Specifically, DCH should implement analytical procedures or system modifications to identify improper, simultaneous payments made for home and community-based services while members are in long-term care facilities. Additionally, we recommend DCH consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.	6/30/2023

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<p>6. FA-419-22-05. Improve Controls over Medicaid Capitation Payments for Medicare Members. DCH made improper capitation payments for Medicaid Managed Care members with Medicare insurance coverage.</p>	Repeat	<p>DCH management should continue to dedicate the necessary resources and execute their plan to ensure that modifications to retroactively recoup capitation payments from its MCOs upon receipt of notice that a member is eligible for Medicare are implemented appropriately within GAMMIS. For periods prior to the implementation of the GAMMIS system modifications, DCH should perform analytical procedures over Medicare effective dates for Managed Care members to determine whether capitation payments have been recouped. Additionally, DCH should investigate and recover funds for all improper payments. DCH should consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</p>	4/1/2023
<p>7. FA-419-22-06. Improve Controls over Medicaid Capitation Payments for Managed Care Recipients. DCH made improper duplicate payments for Medicaid Managed Care recipients.</p>	Repeat	<p>DCH management should dedicate the necessary resources and execute their plan to ensure that modifications are implemented appropriately within GAMMIS to ensure duplicate capitation payments are not made to MCOs for Managed Care members. For periods prior to the implementation of policy and process changes, DCH should perform analytical procedures to identify potential duplicate payments made to MCOs. Additionally, DCH should investigate and recover funds for all overpayments. DCH should also consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</p>	8/31/2023
<p>8. FA-419-22-07. Improve Controls over Medicaid Capitation Payment Rates. DCH made Medicaid capitation payments for Medicaid Managed Care recipients using the improper payment rates.</p>	Repeat	<p>DCH management should dedicate the necessary resources to enter accurate rates within GAMMIS each year to ensure improper capitation payments are not made to MCOs for Managed Care members. For periods prior to the implementation of appropriate rate changes, DCH should perform analytical procedures to identify potential overpayments made to MCOs. Additionally, DCH should investigate and recover funds for all overpayments. DCH should also consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</p>	6/30/2023

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<p>9. 419-22-08. Strengthen Controls over NCCI Program Requirements</p> <p>DCH does not have adequate controls in place to ensure the confidentiality agreements with contracted parties contain all required elements.</p>	New	<p>DCH should revise its confidentiality agreement with Gainwell to minimize the risk to the confidentiality, integrity and availability of the Medicaid NCCI files and data. The confidentiality agreement should include at a minimum the elements required pursuant to Section 7.1.3 of the NCCI Technical Guidance Manual for Medicaid Services.</p>	9/30/2023
<p>10. FA-419-22-09. Improve Controls over the NCCI Medically Unlikely Edits Process</p> <p>DCH does not have adequate controls in place to ensure that documentation is maintained on-file to evidence the Centers for Medicare and Medicaid Services approval of National Correct Coding Initiative edit overrides.</p>	New	<p>DCH should strengthen controls over its approval process related to NCCI edit overrides by incorporating additional policies and procedures to ensure that approval documentation is obtained and maintained on-file. Additionally, we recommend that DCH consult with the grantor to discuss whether the questioned costs identified in the audit should be repaid.</p>	6/30/2023

updated 6/1/2023