## Department of Community Health SFY 2021 DOAA Audit - Corrective Action Plan Updates March 9, 2023

	Finding		Recommendation	<u>Status</u>
1.	<b>FS-419-21-01 &amp; FA-419-21-01.</b> Continue to Strengthen Application Risk Management Program.	DCH does not have adequate controls in place over its application risk management program related to the claims and payment processing or Medicaid benefits.	DCH should continue to allocate necessary resources to implement a formal risk management program to allow management to gain reasonable assurance the DCH will achieve its agency and program objectives and comply with operational, financial reporting, and compliance requirements.	Partially Resolved
	<b>FA-419-21-02.</b> Improve Controls over Inpatient Medicaid Payments.	Field audits of participating inpatient hospital providers were not performed as required by the current State Plan.	Because the DCH management executed their plan to revise the State Plan and contract with its third-party vendor after year-end, the DCH should ensure that the required desk or focus reviews are performed in accordance with the revised State Plan going forward.	Resolved
	<b>FA-419-21-03.</b> Improve Controls over Medicaid Eligibility Determinations for Ex-Parte Members.	DCH & DHS did not have effective internal controls in place to ensure the required continuing Medicaid eligibility determinations are performed for Supplemental Security Income Ex Parte members.	DCH and DHS management should strengthen oversight of the eligibility determinations performed by the DFCS for SSI Ex Parte members to make certain they are being performed timely and as required.	Resolved
4.	<b>FA-419-21-04.</b> Improve Controls over Managed Care Organization Financial Audits	DCH should improve controls over MCO audited financial reports.	DCH should revise the current contracts with MCOs to include a clause requiring MCOs to submit on an annual basis, to the DCH, audited financial reports specific to the Medicaid contract. In addition, the DCH should implement policies and procedures to ensure the obtention of the required MCOs audited financial reports and that the results of the periodic audits are posted to the State's website.	Unresolved

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	<u>Finding</u>		<u>Recommendation</u>	<u>Status</u>
5.	<b>FA-419-21-05.</b> Improve Controls over Medicaid Payments after Date of Death.	DCH made improper payments to Medicaid providers after beneficiaries' deaths.	DCH management should continue to dedicate the necessary resources and execute their plan to ensure that 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.	Partially Resolved
6.	<b>FA-419-21-06.</b> Improve Controls over Medicaid Capitation Payments for Medicare Members.	DCH made improper capitation payments for Medicaid Managed Care members with Medicare insurance coverage.	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.	Partially Resolved

updated 2/27/2023