



MEMORANDUM

TO: Anthony Nicks, County Auditor

FROM: David Sarnow, Interim Director of Health Services 

DATE: December 30, 2015

SUBJECT: Preliminary Response to Audit Report

I would like to extend my appreciation for the opportunity to review and provide these preliminary responses to the recent draft audit report provided by your office. The audit period (January 31, 2014 – December 31, 2014) predates my appointment as the Interim Director of Health Services and many improvements/programmatic changes have already been implemented; however, I am fully committed to addressing each finding and recommendation presented and look forward to working with your office, the Finance Department and the County Manager's office on the continued implementation of corrective measures. There are essentially three major themes in the audit report: Cash Management and Fiscal Controls, Environmental Health Operations, and Other Operational Concerns.

Cash Management and Fiscal Controls

Effective September 3, 2015 the Health Services Billing and Collection Unit was transferred to the Finance Department Treasury Unit. Since that time the Treasury Unit has been working with the Health Billing and Clinical Staff, Ernst & Young, and your office to identify and implement tighter financial controls around the revenue cycle and cash management functions. Specific focus has been given to separation of duties, improved cash handling procedures, daily reconciliation and remittance, and record storage and retention. The Accounting Supervisor in question resigned and the matter has been referred to the Fulton County District Attorney for review. A new Accounting Supervisor was hired to oversee the day to day billing and collection processed for the Health Department. Improvements have been made on the registration, intake, and billing processes for physical health to ensure clean claims are submitted initially to the Payors. New software is being implemented which will perform verification of the insurance information in the billing system, scrub claims data before submitting the claims for payment, and is expected to positively impact claim payments and limit our denial management and re-bill activities. A plan has been developed to improve the billing and collections of environmental health and will be implemented over the next several months.

Environmental Health Operations

During 2014, the Department evaluated the operations of the Environmental Health Division and determined that additional staffing was needed. As part of the 2015 budget, eight (8) new positions were approved as well as new vehicles for conducting inspections. The positions were established as a result of the department's evaluation of the need for additional staff to address the backlog of inspections. These staffing enhancements allowed the Division to maintain current inspections and reverse the trend of overdue inspections, reducing the backlog of overdue inspections from 21% to 5%. The training period for a new inspector is approximately 4 months with significant on the job training. We will work with the Personnel Department to complete the hiring process for any remaining vacant inspector positions. Furthermore, during 2016 the Division will evaluate the use of mobile devices to allow point of service entry into the environmental health database in order to streamline the complete inspection process and improve the frequency of inspections to comply with standards established with Food Service Rules and

Regulations.

Other Operational Concerns

During 2015, the County has undertaken a county-wide strategic planning process. As part of this effort, performance measures and indicators were developed at the strategic priority level. During Q1 of 2016, the Department will finalize departmental level key performance indicators tied to the overall strategy area key performance indicators. A routine performance review will also be implemented.

Operational changes will be implemented to address medical record findings including but not limited to a routine chart review process. Staffing needs will be addressed through implementation of the 2016 budget and may include a combination of redirection of resources, elimination or reduction of programs. During 2015, the Behavioral Health Division replaced the superbill process.

A final management response will be provided on or before the 30 days requested in your report. As noted, significant efforts are already underway to address many of the findings identified in the report.

cc: Board of Commissioners
Dick Anderson, County Manager
Todd Long, COO
Sharon L. Whitmore, CFO