



FULTON COUNTY

FULTON COUNTY, GEORGIA

OFFICE OF INTERNAL AUDIT

FULTON COUNTY HEALTH & HUMAN SERVICES

**AUDIT OF PATIENT ELIGIBILITY FOR
DISCOUNTED SERVICES**

NOVEMBER 29, 2012

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Introduction

The Health and Human Services Department of Fulton County operates 12 clinics as part of its Health and Wellness Program. These locations offer the following public health services:

- Communicable Disease Follow-Up
- HIV Counseling and Testing
- Lead Screening
- Immunizations and TB tests
- STD treatment and counseling (non HIV)
- Medicaid Referrals
- Children's Health
- Ryan White program
- Adult and Children's Dental Services
- Behavioral Health Services

Background

Patients and customers access the center's services by an appointment or on a walk in basis. New patients fill out intake forms which are provided along with health information circulars prepared by the Fulton County Department of Health and Human Services. Uninsured Fulton County Residents are allowed to pay based on a sliding fee scale. It is the department's policy to verify all patients' residence and income to determine eligibility for discounted services.

Records pertaining to returning patients are accessed through the database system application licensed by Mitchell and McCormick, LLC (M&M). The Health and Human Services Department uses M&M application systems to record its patients' services and generate financial reports. Income eligibility is verified through Medicare and WIC online resources as well as the patient's personal information such as pay stubs and W-2 forms. Residence eligibility is determined through the review of personal identification, utility bills or other types of documentation such as letters from the shelter. These letters are also accepted as a proof of low income eligibility.

Objective

The primary objective of our review is to conduct an audit of patient eligibility for discounted services. The documentation supporting the reduced fee collections and calculations should be adequate and sufficient.

Scope

November 1, 2011 through October 31, 2012

Methodology

A sample of 96 patient files were tested for eligibility based on income and residency. The information entered into the M & M systems was reviewed to determine if it was consistent with the documentation recorded in the patient files. The patient intake process was observed at several clinics to determine if the policies and procedures of the Health and Human Services Department were followed by the clinic employees.

Findings and Recommendations

Finding 1 - Dental charges not posted

Charges should be posted to the M & M system for all treatments provided at the Health and Human Services Clinics. There were twelve sample dental files reviewed from the College Park Clinic. Three of the sample files indicated that treatment had been provided but no charges were posted to the M & M system. The College Park Clinic employees were not aware of the charges not being posted. In all three cases the patients were documented as having no annual income and therefore eligible for discounted services. Even though the three patients were documented as having no income, charges for medical services should have been posted and credit given based on their indigent status. The underlining cause of the charges not posting in the M&M system is under investigation by the Health and Human Services Information Technology Department. The effects of the M&M system being impaired are inaccurate reporting of charge and cost data and weaken internal controls.

Recommendation

A sample of the patient files should be reviewed periodically to determine if all of the healthcare information and has been accurately entered into the M & M system.

Finding 2 - Collection Process for non-paying patients

Clinic patients that have signed payment agreements should be required to pay within a reasonable time of the treatment date. Although there were a number of sample files reviewed which contained signed payment agreements, there was no evidence of collections being made. The Health and Human Services Financial Manager indicated there is no collection process in place at this time. By not collecting funds from patients, who have signed the payment agreements, the Health and Human Services department is not utilizing all of its potential resources to help defray the cost of providing medical services.

Recommendation

A review should be conducted to determine how much income could be recovered from patients that have completed a payment agreement. Routine collection efforts should be initiated before the bills become seriously delinquent.

Finding 3 - Lack of patient file documentation

The patient files should contain adequate documentation to support the Fulton County eligibility and income requirements. Out of the ninety-six sample files, four contained income eligibility documentation and fifteen files contained copies of Fulton County residency information. Clinic employees indicated that making copies of income and identification documents is not a procedure requirement. Most of the patient files could not be assessed for income and residency eligibility based on the information provided by the Health and Human Services Department.

Recommendation

Copies of all patient identification that support Fulton County residency should be included in the patient files. Copies of patient income and earnings documents should be included in the files for clients that pay on a reduced fee scale. If the decision is made to not make copies of these documents, the intake, service and billing specialists should each note in the electronic files that the identification, residency and income or earnings were confirmed.

Finding 4 - Cash receipts not posted

The cash receipts posted to the M & M system should be reconciled to the cash register reports. There were several cash payments found that were not posted to the M & M system. The Aldredge Clinic Cashiers indicated that it is common for receipts not being processed during system slowdowns, usually in the afternoon or extensive time periods when the M&M system is not functional. The system slowdowns create a backlog of cash receipts. Receipts not posted are forwarded to the Fiscal Office on the 4th floor of the clinic for processing. Presently there is no policy or procedure requiring the clerks to balance the M & M system cash receipts to cash register reports. A combination of M & M system issues and not reconciling the cash receipts posted in the M&M system to the cash register has resulted in inaccurate receivable balances in the M&M patient ledgers.

Recommendation

Cash register receipts should be balanced to the M&M system on a daily basis. If a system breakdown occurs the Fiscal Division should verify that it is corrected within 3 days of the breakdown. The monthly bank reconciliations should also reflect the cash posted in the M&M system.

Finding 5 - Significant User Error

The accuracy of patient information in the M&M System is vital in order to maximize the County's potential for reimbursement. During our site visit at the College Park Health Center, we observed the patient intake procedures. After going through the intake process, the patient receives a service slip and proceeds to billing. We noted that when the cashier updated the patient's income information in the M&M system, it was not reflected on the patient's current visit billing.

According to M&M System's technical support and the *Patient Intake Procedure* in the *M&M System User Manual*, the user must update the address, income, and insurance information before the service slip/encounter is generated. The user cannot print the service slip before the income data is updated. The patient record must be completely updated before the service slip is printed.

Additionally, the records & document specialist stated that entering "U" in the M&M System income section meant that the patient's income information provided was unverified and resulted in the system automatically issuing a 100% discount and a zero patient balance. The Health and Human Services' IT Systems Manager concluded that the patient's zero balance was not a software glitch but a direct result of user error. During the course of our audit, we were not provided evidence to support if this user error was isolated to the College Park Health Center. Consequently, we assume that this user error could be occurring at all of the County's health center locations.

Recommendation

To increase the accuracy of patient information in the M&M System and to maximize the County's revenue flow; we recommend that all users of the M&M System be immediately retrained on the *Patient Intake Procedure*. Accordingly, all users should strictly adhere to the user procedures as stated in the *M&M System User Manual*. In addition, the M&M System should be modified to allow for revisions made to a patient's account to be reflected during the service visit, regardless of the time of day the service slip is generated. The M&M system should be updated, so that entering "U" does not result in the write off charges which probably qualify as self-pay.

Summary

The review of the Health and Human Services patients' intake was conducted to ensure that customers receiving services at reduced rates were eligible. It is our conclusion that most of the patient files did not contain adequate documentation for our review. The information posted to the M&M system is not consistent with the information in the patient files. Some of the issues concerning the information contained in the M&M system are a result of the system's own performance. Due to the M&M system's limitations, strict uniform procedures should be used for the processing of the patient charges and payments. Patient files should include information verifying the residency and income for customers paying on a reduced fee scale.

We would like to express appreciation to the Health and Human Services Staff and Managers for their assistance during this review.