



RON DESANTIS  
GOVERNOR

SIMONE MARSTILLER  
SECRETARY

December 27, 2021

Simone Marstiller, Secretary  
Agency for Health Care Administration  
2727 Mahan Drive  
Tallahassee, Florida 32308

Dear Secretary Marstiller:

In accordance with Internal Auditing Standards, attached is a status update from the Division of Health Quality Assurance (HQA), Bureau of Central Services in response to our audit report number *AHCA-1718-02-A, Tracking of HQA Final Orders* published on June 25, 2021.

Management has indicated corrective action has been either initiated or completed for each of our report issues. A detailed description of all issues, recommendations, and management's responses can be found in the attached table. We will schedule another follow-up review in six months to assess the status of the efforts taken by the Division of Health Quality Assurance, Bureau of Central Services to correct all open issues.

If you have any questions regarding this report, please let me know.

Sincerely,

Dawn E. Case  
Deputy Chief Inspector General

DC/jh

Attachment

cc: Cody Farrill, Chief of Staff  
Kimberly Smoak, Deputy Secretary for Health Quality Assurance  
Julie Madden, Deputy Secretary of Operations  
Josefina Tamayo, General Counsel  
Taylor Haddock, Assistant Deputy Secretary for Health Quality Assurance  
Eileen Lin, Chief of Finance and Accounting  
Pat Caufman, Chief of Field Operations  
Ryan Fitch, Bureau Chief of Central Services  
Thomas Hoeler, Senior Attorney



Agency for Health Care Administration  
Office of Inspector General – Internal Audit  
Report Title: Tracking of HQA Final Orders  
Report #: AHCA-1718-02-A, issued June 25, 2021  
Six-Month Follow-up Status as of December 27, 2021

No.	Finding(s)	Recommendation(s)	Previous Management Response(s)	Status Update, Anticipated Completion Date and Contact
1	HQA staff did not consistently monitor and track non-monetary final orders as required.	<p>1. We recommend that HQA follow the provisions set forth in the Protocol in which the Enforcement Unit runs the <i>Open Case Compliance Report</i> monthly and quarterly to effectively monitor all non-monetary compliance items more than 30 or 90 calendar days past due. We further recommend that monitoring be documented.</p>	<p><u>Status as of June 25, 2021</u>  HQA Response:  Significant progress has been made to track and monitor non-monetary compliance. As of the monthly report on 6/1/2021, only 11 past-due non-monetary compliance items were outstanding. Currently, there is no SQL rule for non-monetary items, but one is being created as of 6/16/2021. The SQL rule will mirror the one in place for monetary compliance and will force the licensure units to use their leverage over the facility's need to comply with these penalties as well.</p> <p>Anticipated Completion: August 1, 2021  <i>Ryan Fitch, Chief of Central Services</i></p>	<b>Complete</b>
		<p>2. We recommend that HFR and Field Operations follow the provisions set forth in the Protocol requiring staff to reach out to facilities with open non-monetary compliance penalties under their purview. Staff should also enter any notations needed, enter a completion date in VERSA: Regulation (VERSA) for applicable non-monetary compliance penalties, and save</p>	<p><u>Complete</u>  HFR and Field Operations agree with the recommendation to follow the provisions set forth in the Protocol. HFR and Field Operations staff currently review the <i>Open Case Compliance Report</i> for necessary action and update VERSA and as necessary.</p>	<b>Complete</b>

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		documentation of compliance with these penalties in accordance with the Protocol.	Laura MacLafferty, Chief of Health Facility Regulation; and Pat Caufman, Chief of Field Operations	
2	Financial Services manual process for the intake of final orders and the collection of final order monetary penalties did not always properly identify final order monetary penalties.	<p>1. We recommend that Financial Services use the system-generated <i>Open Case Compliance Report</i> derived from VERSA to identify any new HQA final orders filed and monitor final orders with outstanding monetary penalties due to the Agency in accordance with the Protocol.</p> <p>2. We recommend that Financial Services follow the provisions in the <i>Administrative Final Orders Processing/Recording</i> procedures which note that CAMS can generate a <i>Current Delinquencies</i> aging report for outstanding HQA final order penalties that have not been paid and use CAMS to generate collection letters for past due final order monetary penalties.</p>	<p><u>Status as of June 25, 2021</u>  Financial Services Response:  Financial Services will use the <i>Open Case Compliance Report</i> to aide in identifying new HQA Final orders and monitor outstanding monetary penalties due on a bi-weekly basis.</p> <p><i>Anticipated Completion: August 31, 2021</i>  Eileen Lin, Chief of Financial Services</p> <p><u>Status as of June 25, 2021</u>  Financial Services Response:  Implemented. Financial Services is using the <i>CAMS Delinquency Aging Report</i> to monitor past due final orders.</p> <p>Financial Services is working with Paul's Consulting firm to enhance the system to print past due collection notices from CAMS.</p> <p><i>Anticipated Completion: August 31, 2021</i>  Eileen Lin, Chief of Financial Services</p>	<p style="text-align: center;"><b>Complete</b></p> <p><u>Status as of November 15, 2021:</u>  HQA Response:  Enforcement continues to work with Financial Services on reconciling VERSA and CAMS. As part of our work on reconciliation, Enforcement has enhanced its <i>Open Case Compliance Report</i> to include collection aging to improve the collection of monetary penalties. HQA would recommend that Financial Services continue to use this report when deciding to generate</p>

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			<p>HQA Response:  Since the Protocol was put into place, Financial Services indicates there are enhancements with a new system, CAMS. HQA will work with Financial Services to reconcile VERSA and CAMS and update the Protocol to share reports and system access to CAMS to ensure both systems are accurate.</p> <p><i>Anticipated Completion: August 31, 2021  Ryan Fitch, Chief of Central Services</i></p>	<p>collection letters until CAMS and VERSA reconciliation is complete.</p> <p>BFS Response:  Financial Services uses the Accounts Receivable Aging report in CAMS to determine when to generate the past due collection notices. Financial Services is continuing to work with Paul’s Consulting firm to enhance the system to print past due collection notices from CAMS.</p> <p><i>Anticipated Completion: February 28, 2022  Eileen Lin, Chief of Financial Services</i></p>
3	<p>Different entry points in processing final order monetary penalties in Financial Services and HQA resulted in some delays in posting payment information into VERSA.</p>	<p>1. We recommend that Financial Services work with HQA to process final order monetary penalty payments more efficiently. In general, payments received should arrive and be processed by HQA Central Intake as the single point of entry for monetary final order payments. Collection letters should be revised to be consistent with the payment address in the initial final order.</p>	<p><u>Status as of June 25, 2021</u>  Financial Services Response:  Financial Services will update the past due collection letters address referenced in the final orders.</p> <p><i>Anticipated Completion: September 30, 2021  Eileen Lin, Chief of Financial Services</i></p>	<p><b>Complete</b></p>

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		<p>2. For any payments received by Financial Services, we recommend that Financial Services provide a bi-weekly report to HQA Enforcement, rather than the monthly report contemplated by the Protocol. This report should include relevant supporting documentation to update VERSA, as required by the Protocol.</p>	<p><u>Status as of June 25, 2021</u>  Financial Services Response:  A weekly report will be provided to reflect payments received by Financial Services to ensure payments are being posted in VERSA in a timely manner.</p> <p><i>Anticipated Completion: September 30, 2021</i>  <i>Eileen Lin, Chief of Financial Services; and</i>  <i>Ryan Fitch, Chief of Central Services</i></p> <p>HQA Response:  The Cash Receipts Report does seem to come more frequently (approximately bi-weekly) from Financial Services, but some errors sometimes do appear in the data.</p> <p><i>Anticipated Completion: September 30, 2021</i>  <i>Ryan Fitch, Chief of Central Services</i></p>	<p><u>Status as of November 15, 2021:</u>  HQA Response:  The Cash Receipts Report is sent by Financial Services approximately bi-weekly, but there are still concerns with errors appearing in the data and HQA continues to work on addressing the errors.</p> <p>BFS Response:  Financial Services has implemented additional procedures to reconcile HQA Cash Receipts Reports to CAMS to ensure accuracy.</p> <p><i>Anticipated Completion: June 25, 2022</i>  <i>Eileen Lin, Chief of Financial Services</i></p>
4	Final order monetary compliance penalties were not always updated or closed appropriately in VERSA.	1. We recommend that, as contemplated by the Protocol, the Final Order Process Workgroup meet monthly to discuss appropriate data entry of final orders in VERSA to include monetary compliance items. The Workgroup should include not only staff	<p><u>Status as of June 25, 2021</u>  HQA Response:  As the Protocol was put into place over two years ago when there was a significant list of overdue monetary and non-monetary compliance items, HQA is in the process of updating the Protocol and proposes that the</p>	<p><u>Status as of November 15, 2021:</u>  HQA Response:  The Final Order Process Workgroup only meets as needed to discuss “out of the ordinary” Final Orders. It would typically not include monetary compliance items; however, Financial Services will be</p>

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		<p>referenced in the Protocol – the Office of the Deputy Secretary of HQA, the Enforcement Unit, and OGC, but also include a member of Financial Services.</p>	<p>Final Order Process Workgroup meet only as needed as compliance items are now tracked through reports shared through email. We believe the Workgroup can be handled through email as long as clear communication is kept and staff are clear on their roles.</p> <p>A new report was recently created, the <i>Miscellaneous Sales Payment Revenue Report</i>, to catch these errors. Additionally, the <i>Final Order Compliance Report</i> has been enhanced. HQA Enforcement Unit plans on using both reports at least monthly to ensure that Final Orders are paid in full and are closed timely.</p> <p><i>Anticipated Completion: In-Progress  Ryan Fitch, Chief of Central Services;  Pat Cauffman, Chief of Field Operations; and  Laura MacLafferty, Chief of Health Facility Regulation</i></p>	<p>invited if and when it does. Furthermore, staff from Enforcement and Financial Services have been coordinating efforts to reconcile payments, collections, write-offs, etc. on at least a monthly basis. The new report, <i>Miscellaneous Sales Payment Revenue Report</i>, is used by both units to update payments and case closures.</p> <p><i>Anticipated Completion: June 25, 2022  Ryan Fitch, Chief of Central Services</i></p>

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		<p>2. We also recommend HQA update the provisions set forth in the Protocol in which the Workgroup facilitator distribute follow-up action items as needed on any identified issues to include representation from the Bureau of Financial Services and monetary compliance items.</p>	<p><u>Status as of June 25, 2021</u>  HQA Response:  The Protocol specifies that Final Orders with overdue monetary compliance items will be sent to collections approximately 120 days from the payment due date by Financial Services. HQA Enforcement Unit is working with Financial Services to receive HAR/CAMS reports to reconcile with VERSA records so discrepancies could be discussed. The report will be provided in the interim while HQA staff are in the process of receiving view access to CAMS.</p> <p><i>Anticipated Completion: In-Progress  Ryan Fitch, Chief of Central Services;  Pat Cauffman, Chief of Field Operations; and  Laura MacLafferty, Chief of Health Facility Regulation</i></p>	<p><u>Status as of November 15, 2021:</u>  HQA Response:  The Final Order Process Workgroup only meets as needed to discuss “out of the ordinary” Final Orders and this would not include monetary compliance. However, staff from Enforcement and Financial Services have been coordinating efforts to reconcile payments, collections, write-offs, etc. on at least a monthly basis. Although VERSA reports are readily available for Financial Services to run at any time, Enforcement is not able to do the same with CAMS and does not have view access yet. Furthermore, the protocol has been updated with a revised timeline for the collection process.</p> <p><i>Anticipated Completion: June 25, 2022  Ryan Fitch, Chief of Central Services</i></p>
5	Financial Services staff sometimes misidentified and misclassified HQA final order payments.	We recommend that HQA and OGC work together to create a unique HQA and MPI identifier on the final order that would help distinguish between the various final orders. For example, using the acronyms	<p><u>Status as of June 25, 2021</u>  Financial Services and HQA Response:  Financial Services and HQA have worked together and confirmed there is a unique identifier in place between HQA and MPI</p>	<b>Complete</b>

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		<p>HQA and MPI as part of the final order number will allow for easier identification of such orders by Cash Room staff.</p>	<p>final orders. A dash after the first four numbers is present in MPI final orders and not present in HQA final orders. Financial Services has already provided training to staff to identify the differences and we believe the issue has been successfully resolved.</p> <p>Anticipated Completion:  HQA: Discussions will be completed no later than 90 days from the final report on this matter (June 25, 2021), September 23, 2021.  Financial Services: October 31, 2021</p> <p><i>Kelly Bennett, Chief of Medicaid Program Integrity; Ryan Fitch, Chief of Central Services; and Eileen Lin, Chief of Financial Services</i></p>	
6	<p>HQA final orders with certain obsolete compliance requirements were issued by OGC.</p>	<p>1. We recommend that both HFR and OGC ensure the “Return License” non-monetary compliance penalty is no longer used in HQA final orders and that final order language is updated to note that the license is null and void and can no longer be used.</p>	<p><u>Status as of June 25, 2021</u>  HQA Response:  HFR agrees that the return license compliance penalty is obsolete and will work with OGC to ensure it is no longer used.  OGC recommends a statutory change in 408.81, F.S. to clarify a provider should notify</p>	<p style="text-align: center;"><b>Complete</b></p>



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			<p>the Agency of discontinuance of operations instead of surrendering the physical license.</p> <p><i>Anticipated Completion: In-Progress            Laura MacLafferty, Chief of Health Facility Regulation; and            Ryan Fitch, Chief of Central Services</i></p>	
		<p>2. We also recommend that any current “Return License” compliance penalties be closed in VERSA by HQA staff.</p>	<p><u>Status as of June 25, 2021</u>            The return license compliance penalty will be closed in VERSA as it is identified on the monthly report as it is no longer applicable.</p> <p><i>Anticipated Completion: In-Progress            Laura MacLafferty, Chief of Health Facility Regulation; and            Ryan Fitch, Chief of Central Services</i></p>	<p><b>Complete</b></p>