



## MEMORANDUM

To: Karen Windon, Interim Director of Community Services Department

From: R. B. "Chips" Shore, Clerk of the Circuit Court and Comptroller

Date: June 10, 2010

Subject: Community Services Benefits Section Follow-up Audit #1

The Internal Audit Department has completed a follow-up audit based on the Clerk of the Circuit Court's Audit Report of the Community Services Benefits Section, issued on April 15, 2008. The follow-up consisted of reviewing the management action plans implemented by the Benefits Section's management for areas where we provided constructive criticism and recommendations.

Since the original audit report was issued, the Benefits Section has undergone operational and staffing changes. The Section is no longer responsible for the We Care Program (now administered by the Grants Section) or the Blake Hospital Indigent Care Program (now funded through Indigent Care Agreement). In addition, staffing for the Benefits Section has been reduced by one full-time and one part-time position to a current staffing level of two full-time employees (excluding the Summer Food Program's OPS employees). The Section, however, continues to be responsible for administering the Prescription Assistance, Fee Assistance, Special Assessment Hardship, HCRA, Indigent Burial, and Summer Food programs. Internal Audit is pleased with the corrective actions implemented on the findings and recommendations included in the original audit report. The controls implemented are the beginning to improved accountability over the Section's operations.

Management has addressed many of the areas where improvements were recommended, however, a few areas continue to require management's attention. During the meeting of May 27, 2010, your management staff together with the Internal Audit Department staff, agreed on the following action plans:

1. Improvements are still needed over the accuracy and completeness of documentation contained in the Prescription Assistance Program and Fee Assistance Program participants' files. Instances were found where documents and forms were missing or incomplete. There were instances where the information contained on prescription vouchers did not agree with what was filled by the pharmacy; vouchers were filled by the pharmacy after the expiration date; and instances where applicants were approved for duplicate applications. Management indicated in the original Management Action Plan that they would implement quality control

procedures to ensure periodic reviews of participants' files. While these procedures have been included in the Section's Policies and Procedures, these reviews have not yet been implemented.

**Management Action Plan**

Management is in the process of addressing these minor documentation exceptions with staff to ensure the completeness and accuracy of all documentation. Management will evaluate and update its quality control review procedures. They anticipate implementation within one month.

2. The Benefits Section Policy and Procedures manual has not been fully updated to reflect current guidelines, procedures, and forms. The following areas were identified where improvements are recommended:
  - Effective November 25, 2008 new Prescription Program participants are only eligible for services/benefits for three months and must wait one year before re-applying. Clients who were in the program prior to that date have been "grandfathered" and can remain in the program indefinitely, but must recertify every three months. This policy has not been included in the Section's Policies and Procedures;
  - Attachment A1 "Resolution R-06- ", used to administer the Prescription Benefits Program, is still in draft form and therefore has never been approved by the Board of County Commissioners. In addition, the Resolution has not been updated to reflect the Program's procedures for the "grandfathered" clients;
  - Exhibits which are included in the manual are not always referenced in the appropriate procedures;
  - Exhibits/forms included in the manual are not always the most current versions.

**Management Action Plan**

Management is currently reviewing, correcting, and updating the Benefits Section Policy and Procedures manual. In addition, management is in the process of drafting and obtaining Board of County Commissioners' approval for a new resolution for the Prescription Benefits Program. Both are expected to be completed within six months.

We would like to thank you and your staff for the attention given to the audit findings and the cooperation given to the Internal Audit staff. Another follow-up audit will be scheduled after the implementation of the Management Action Plan.

RBS/MDB/LJS

cc: Board of County Commissioners  
Ed Hunzeker, County Administrator