Audit Department

500 S Grand Central Pkwy Ste 5006 • PO Box 551120 • Las Vegas NV 89155-1120
(702) 455-3269 • Fax (702) 455-3893

Angela M. Darragh, CPA, CFE, CISA, Director

September 4, 2012

Mr. Don Burnette
Clark County Manager
500 South Grand Central Parkway, 6th Floor
Las Vegas, NV 89106

Dear Mr. Burnette:

Pursuant to Audit Department policy, we performed follow-up procedures on significant findings from the Eligibility and Financial Services audit issued June 20, 2011. This follow-up letter should be read in conjunction with the original audit. The follow-up procedures performed included interviews with responsible parties and an examination of related documentation. This follow-up engagement does not represent a complete reexamination of the Eligibility and Financial Services audit.

The auditor's role in follow-up reviews is to compile corrective actions taken from affected Department/Division management, assess whether these responses are adequate or not adequate to correct reported deficiencies, and relay those findings to management.

It is the Department/Division management's responsibility to decide if any appropriate action should be taken in response to reported audit findings. It is also their responsibility to assume the risk by not correcting a reported condition because of cost or other consideration.

The results of our follow-up review showed that although many of the findings were outside the control of Eligibility and Financial Services, some improvements were made. For example, denials due to Medical Necessity and Utilization Reviews have decreased. Management continues to monitor issues outside their control to assure there are no delays in qualifying patients or receiving payments. Eligibility is utilizing an alternate method than was recommended in the report to complete the streamlining of processes for filing electronic applications.

The assistance and cooperation of county staff is recognized and appreciated.

Sincerely,

/s/ Angela M. Darragh

Angela M. Darragh, CPA
Audit Director

BOARD OF COUNTY COMMISSIONERS
SUSAN BRAGER, Chair • STEVE SISOLAK, Vice Chair
LARRY BROWN • TOM COLLINS • CHRIS GIUNCHIGLIANI • MARY BETH SCOW • LAWRENCE WEEKLY
DON BURNETTE, County Manager

UNIVERSITY MEDICAL CENTER - ELIGIBILITY AND FINANCIAL SERVICES (EFS)

AUDIT DEPARTMENT
Angela M. Darragh, CPA, CFE, CISA
Audit Director

Findings, Recommendations, and Corrective Actions Status
As of July 31, 2012

Original Report Issuance Date: June 20, 2011

Summary Audit Findings & Recommendations			Summary Management Response		Summary Status		
Ref	Finding	Recommendation(s)	Concurrence	Corrective Action Status	Implemented	Not Implemented	Other
1	**EFS Staledates**						
	From 7/1/09 through 11/30/10, EFS had 248 accounts that became stale dated. Sixty-eight accounts had dates of service from 1/1/09 forward. Seven of those accounts were Medicaid while the remainder were Clark County Social Services (CCSS) accounts. There was no financial effect from CCSS stale dates since the hospital qualified more claims than CCSS had in available funds.	EFS management proactively handle stale dated accounts by counseling staff to prevent further stale dates.	Y	EFS reviews and determines root causes for stale dates, revising processes or addressing staff performance as appropriate.	✓		
2	**Streamline Processes**						
	Some processes can be streamlined. The process to allow EFS to electronically complete an application on-line would help. Also, EFS needs to scan documents for compliance with record retention statues.	Implement a system that would allow electronic completion and submission of applications.	Y	EFS is working with Relay Health Advocate to use the web based application for on-line eligibility applications. This is currently in the testing and implementation phase.			✓
3	**EFS Barriers**						
	There are barriers that prevent EFS from maximizing reimbursements. These range from uncooperative patients, to Medicaid payment denials due to medical necessity and utilization review, to the State reducing Medicaid payments.	Pursue legislative changes that would allow EFS to overcome some of these barriers.	Y	Management continues to qualify patients in spite of issues that are outside their control.	✓		

Summary Audit Findings & Recommendations			Summary Management Response		Summary Status		
Ref	Finding	Recommendation(s)	Concurrence	Corrective Action Status	Implemented	Not Implemented	Other
4	NOMADS vs. EVS Issue						
	Department of Welfare and Social Services (DWSS) had delays in transferring eligibility dates from NOMADS to EVS. A claim could not be submitted until DOD showed on EVS.	EFS management continue monitoring NOMADS for delays in posting to EVS	Y	EFS management continues monitoring NOMADS for delays in posting to EVS until issues can be corrected.	✓		
5	Presumptive Eligibility Issues						
	Federal delays for SSI approval and no funds on the State side for "presumptive eligibility" creates delays for UMC to transition patients to a lower level of care resulting in additional costs to taxpayers.	Pursue legislative changes that would allow EFS to overcome some of these barriers.	Y	UMC has requested a consulting service for Medicaid 1115 Waiver Project. This project will assess opportunities for a waiver that could improve healthcare delivery to the vulnerable patient populations by increasing funds to Clark County and UMC. Healthcare Reform will encompass this population in 2014.			✓