OFFICE OF THE CITY CONTROLLER

HEALTH AND HUMAN SERVICES DEPARTMENT
HEALTH CENTER SERVICES
FOLLOW-UP AUDIT

Sylvia R. Garcia, City Controller

Judy Gray Johnson, Chief Deputy City Controller

Steve Schoonover, City Auditor

Report No. 00-30

OFFICE OF THE CITY CONTROLLER
CITY OF HOUSTON
TEXAS

SYLVIA R. GARCIA

December 11, 2000

The Honorable Lee P. Brown, Mayor
City of Houston, Texas

SUBJECT: Health and Human Services Department
Health Center Services – Follow-Up Audit (Report No. 00-30)

Dear Mayor Brown:

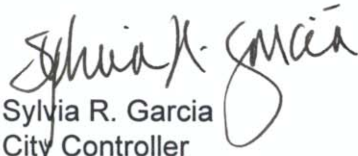
In accordance with the City's contract with Deloitte & Touche LLP (Deloitte), Deloitte has completed a follow-up audit of Health and Human Services Department (Department) Health Center Services. The objective of this audit was to determine the progress the Department has made towards implementation of each recommendation contained in five audit reports issued by the City Controller in May 1997:

- Eligibility Screening Processes
- Pricing, Billing and Accounts Receivable
- Collections Processes
- Inventory Tracking and Procurement
- Health Center Automation

The report, attached for your review, noted that the Department has completed or partially completed most of the recommendations presented in the five reports. Draft copies of the matters contained in the report were provided to Department officials.

We commend the Department for taking action on recommendations noted in the report. Also, we appreciate the cooperation extended to the Deloitte auditors by Department personnel during the course of the audit.

Respectfully submitted,



Sylvia R. Garcia
City Controller

xc: City Council Members
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Cheryl Dotson, Chief of Staff, Mayor's Office
Mary desVignes-Kendrick, MD, Director, Health and Human Services Department
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Deloitte & Touche

October 19, 2000

The Honorable Sylvia R. Garcia
City Controller
City of Houston
901 Bagby, 8th Floor
Houston, Texas 77002

Dear Controller Garcia:

We have provided internal audit services related to the Houston Department of Health and Human Services ("HDHHS") Health Center Services – Follow-Up Audits of the following audits issued by the City Controller in May 1997:

- Eligibility Screening Processes (Report 97-30)
- Pricing, Billing and Accounts Receivable (Report 97-31)
- Collections Processes (Report 97-32)
- Inventory Tracking and Procurement (Report-33)
- Health Center Automation (Report 97-34)

Our services were performed from April 27, 1999 through August 26, 1999 in accordance with the terms of our engagement letter dated April 22, 1999, and the applicable Standards for the Professional Practice of Internal Auditing as prescribed by the Institute of Internal Auditors. Our draft report was provided to management of the HDHHS. Management provided us with their comments and responses to our findings and recommendations on August 20,1999. Although we have included management's responses to our findings and recommendations, we take no responsibility for their sufficiency or the effective implementation of any corrective action.

Our report includes the following sections:

1. Best Practice Recommendations
2. LaNueva Casa Clinic
3. Sunnyside Clinic
4. Lyons Clinic
5. Magnolia Clinic
6. Northside Clinic
7. Riverside Clinic
8. West End Clinic
9. Southwest Clinic

This report is intended solely for the information and use of management of the City of Houston, Texas (the "City") Office of the Controller and the HDHHS and is not intended to be and should not be used by anyone other than these specified parties. The City's external auditors and regulators may be provided with a copy of this report in connection with fulfilling their respective responsibilities.

Yours truly,

Deloitte & Touche LLP

Best Practice Recommendations

City of Houston Health and Human Services Department
Best Practices for Health Center
Services Follow-Up Audit

TOPIC	RECOMMENDATIONS	HDHHS RESPONSES
1. TexMedNet eligibility Documentation	Consider using the results of the TexMedNet query to document patients' Medicaid eligibility status. The patient's latest TexMedNet results could be added to the patient's file and previous TexMedNet query could be discarded.	This procedure is in place. We disagree with the automatic discarding of the previous query. Sometimes it is necessary to maintain documentation of the previous screening to appeal rejected claims or to support an eligibility determination. The discarding could be done after a pre-determined period of time.
2. Non-Cash Transactions	The Central Office should issue a written policy and procedure related to non-cash transactions. Currently, not all clinics document non-cash transactions and some clinics are making change for patients or staff from the cash drawer. Develop a standard policy and procedure for documenting non-cash transactions. The procedure could include documenting the non-cash transaction by stating the purpose of the non-cash transaction on a fee slip and attaching the information to the cash register receipt issued.	The report did not mention the Health Centers that performed this kind of transaction. This is usually not allowed. We will reinvestigate this matter and issue the required policy and procedures.
3. Pharmacy Logs	The Central Office should consider developing a standard policy and procedure for maintaining logs in the following areas. • Medications received from the Central Pharmacy, • Inventory on hand, • Medications dispensed to patients.	This procedure is already being done as a pilot test at the La Nueva Casa De Amigos & Northside Health Centers. After evaluating and finalizing the pilot program, a uniform policy and procedure will be developed and applied to all remaining Health Centers.

TOPIC	RECOMMENDATIONS	HDHHS RESPONSES
	The medication log for medications dispensed to patients should include the name of the patient, name of the medication, quantity issued, dosage, lot number, date provided, expiration date of the medication and the initials of nurse dispensing the medication. The logs should be reconciled on a periodic basis.	
4. Written Desk Procedures	Develop written desk procedures to ensure consistent and uniform guidance for the registration and eligibility screening process. The desk procedures would be a valuable training tool for new hires or back-up personnel.	We do have written desk procedures and they are being updated.
5. Provide In-House Training	Consider providing in-house training for the various funding sources that are available. Not all of the clinics appeared to be aware of the Title V and Title XX funding.	We will incorporate a discussion of the funding sources in new employee orientations, and on-going training for our current Health Center employees.
6. Consolidated Forms	Consider completing the reengineering of forms once a new system is selected. Ensure the patients are not required to complete forms that contain redundant information.	This is a long-term project, the acquisition of a new system is not expected until mid to late 2000. Reengineering of forms will be part of the new system implementation.
7. Sharing Knowledge	Consider encouraging clinic staff to visit other clinics to share and obtain knowledge. Visiting staff could spend a few hours observing the actual practices at another clinic and share best practices and encourage efficiencies.	Our Quality Improvement and Consumer Service Committees will explore this idea.

TOPIC	RECOMMENDATIONS	HDHHS RESPONSES
8. Waiver Tracking	Develop a standard procedure for tracking waivers granted by each program. The tracking system could be incorporated into the daily cash reconciliation process. The daily reconciliation could include documenting waivers by program and the fees collected. The Magnolia Clinic has developed a system to track waivers by program which appears to provide the information required for management reports.	The implementation of the new Fee Policy & Procedures does not allow for waivers.
9. STD and TB eligibility screeners	Determine if the registration clerks or the eligibility screener should be required to perform the Medicaid screening process for STD and TB patients.	The registration clerks are performing the Medicaid screening process for STD and TB patients.

LaNueva Casa Clinic

HOUSTON DEPARTMENT OF HEALTH AND HUMAN SERVICES
La NUEVA CASA CLINIC

AUDIT NO./ FINDING	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
97-30 1.	Perform a self-audit of registration forms or, implementation of additional system controls.	**Completed**	Through discussions held with clinic personnel, it was represented to us that on a weekly basis, the Administrative Supervisor reviews registration forms. In addition, it was represented to us that the Central Office performs a quarterly unannounced review of the registration forms, the last of which was performed in March 1999.	
2.	Review and initial the registration form by the eligibility screener. Require that income data and residency information be recorded for each patient. Require the screener and patient to initial the income data. Screener should determine and initial the fee code.	**Completed**	Through discussions held with clinic personnel, it was represented to us that data entry clerks perform reviews. Any required information that is missing or incorrect is brought to the Administrative Supervisor's attention. Missing or corrected data is requested from the patient during the patient's next visit. Eligibility would screen for income data and residency information. The eligibility clerk would assess the fee code. We judgmentally selected 5 patient files from May 1999 for each service area (Well Child, Tuberculosis ("TB"), Sexually Transmitted Disease ("STD"), Family Planning, and Dental) and noted that the patient and eligibility screener signed the completed form. All selected files from the service areas contained the patient's residency, income data, and signature of the eligibility screener and patient.	

AUDIT NO./ FINDING	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
3.	Maintain the dental eligibility certification form in the patient's health center record.	**Completed**	Through discussions held with clinic personnel, it was represented to us that dental eligibility cards are maintained in the patient's dental file. We judgmentally selected 5 dental patient files from May 1999 and verified that the dental eligibility certification form was maintained in the patient's file.	
4.	Require health centers to use the Prenatal Eligibility Form to document each maternity patient's eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel, it was represented to us that a prenatal form is used to document eligibility for Medicaid. We judgmentally selected 5 maternity patients from May 1999 to verify that the Medicaid eligibility results are documented. All 5 files contained the status of the patient's Medicaid eligibility status.	
5.	The Prenatal Screening Record should include documentation whether the patient was screened for Title V eligibility and the results of such screening.	**Completed**	Through discussions held with clinic personnel, it was represented to us that the Title V eligibility is documented if a patient does not qualify for Medicaid. We judgmentally selected 5 maternity patients from May 1999 and verified that the Title V eligibility results were documented.	
6.	Eligibility screeners should document the HCHD Card referral eligibility process for maternity patients.	**Completed**	Through discussions held with clinic personnel, it was represented to us that the HCHD card referral is documented by nurses for all maternity patients, with	

AUDIT NO./ FINDING	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			such discussions documented in the note sheets that the nurse completes during a patient visit. Twice a week, a HCHD representative is on site to help expedite processing Gold cards for patients referred for ultrasound or high-risk pregnancies. We judgmentally selected 5 maternity patients from May 1999 to verify that the referral for the HCHD Gold Card had been documented. We noted that four of the five files contained the status of the patient's referral for the HCHD Gold Card.	
7.	Documentation of the patient's Gold Card number should be included in the patient's file. Create a standard form to record this data.	**Completed**	Through discussions held with clinic personnel, it was noted that Gold Card numbers are documented on the PROPAS form. We noted that in four of the five patient's Gold Card referral had been made. The results of the referral for the HCHD Gold Card were pending. One patient's file did not contain documentation of a referral for the HCHD Gold Card.	
8.	Generate a Medicaid eligibility form to include in the EPSDT screening record which would document the Medicaid eligibility screening process.	**Partially Completed**	Through discussions held with clinic personnel, it was noted that Well Child Medicaid eligibility forms are used, and that the results of the eligibility screening are documented. We judgmentally selected 5 patient files	Will re-enforce with eligibility staff, the need to include a Medicaid screening record in Well Child records to document Medicaid Status.

AUDIT NO./ FINDING	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			from May 1999 to review. Four of the five EPSDT files documented the results of the Medicaid and Title V eligibility screening.	
9.	Medicaid eligibility form referred to above should include whether the patient was screened for Title V eligibility.	**Partially Completed**	Through discussions held with clinic personnel, it was noted that patients are screened for Title V eligibility if the patient was not eligible for Medicaid. We judgmentally selected 5 Well Child patient files for the month of May 1999, and noted that four of the five patient files contained documentation of the Title V eligibility status if the patient was not eligible for Medicaid.	Will re-enforce with eligibility staff, the need to include a Title V Screening record in Well Child Records to document Title V status.
10.	Modifications in scheduling and employee workloads should be considered to ensure all Well Child patients have an eligibility interview.	**Completed**	Through discussions held with clinic personnel, it was represented to us that an eligibility screener interviews every Well Child patient. The clinic has also staggered lunch hours to ensure that an eligibility clerk is available. In addition, a clerk has been cross-trained to act as a backup to the eligibility clerk, if necessary.	
11.	An interview with an eligibility screener for STD and TB programs should be required to determine the patient's income and status of eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel , it was represented to us that TexMedNet is accessed to determine a patient's Medicaid eligibility status. In addition, registration clerks are requested to obtain the income data from the patient. We judgmentally selected 5 STD and TB patient files for the month of May 1999 to	

AUDIT NO./ FINDING	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			review that the patient file had documented the income and Medicaid or Title V eligibility status of the patient. We noted that the patient's file did not contain the results of the Medicaid eligibility status.	
97-31 1.	Verify that the new computer system notifies billing staff in the Central Office of a patient's change in eligibility status.	**Not Completed**	Through discussions held with clinic personnel, it was represented that the ACCLAIM system has not been implemented. However, during the billing process, the information collected is sent to the Central Office for data entry. The updated information would provide notification of a patient's eligibility status.	With the implementation of the new fee and collection policy, a copy of the service fee form is forwarded to Business Management with this information.
2.	Central Office should develop a process to update patient information in the system and notify the health centers of the Medicaid numbers found during the billing process.	**Not Completed**	The ACCLAIM computer system was not implemented due to the vendor filing for bankruptcy, therefore, this process has not been implemented.	Each Health Center has access to the state software TexMedNet. Business Management receives the service fee forms and has implemented an accounts receivable database. Central Office will develop a system that verifies Medicaid numbers as well as current status of Medicaid eligibility.
3.	Manual cards detailing A/R balances due by patient should be maintained at the health centers until the information system is in place.	**Completed**	Through discussions held with clinic personnel, it was represented to us that a payment record is maintained in the patient's file. We judgmentally selected 5 Family Planning patient files for review and noted that the files contained the fees	

AUDIT NO./ FINDING	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			assessed, paid, and outstanding accounts receivable balances.	
97-32 1.	Fee slips should be numbered, a daily log maintained, and document the medical record number to whom the slip was issued. Reconcile the fee slips issued to the fee slips presented by patients and determine if there are any unaccounted fee slips.	**Completed**	Through discussions held with clinic personnel, it was represented to us that fee slips are numbered on a log based upon patients signing sheets. The medical record number is issued which the cashier verifies to the fee slip and patient number. The Administrative Supervisor reviews the fee slips. Fee slips issued are agreed in total to fee slips presented to the cashier. Patient flow ensures the patient is processed by the cashier before services are rendered.	
2.	Require cashiers to initial all fee slips. Require that fee slips be manually completed at the time of transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that cashiers initial fee slips. Fee slips are prepared manually at the time of the transaction.	
3.	The amount of waivers by program should be tracked as a monthly operating statistic. Track the cashier and administrative supervisor approvals for each waiver.	**Not Completed**	Through discussions held with clinic personnel, it was noted that while Administrative Supervisors review waivers on a daily basis, and that waivers by program information is available, currently this information is not tracked.	The implementation of the new fee and collection policy allows partial payment. Fees will no longer be waived. A report on the amount of partial payment reductions is generated from the forms that are sent to Business Management.
4.	Ensure all waiver policies are approved by the Department of Health and Human Services Administration.	**Completed**	Through discussions held with clinic personnel, it was noted that a waiver policy was issued and approved by the Department of Health and Human Services Administration.	
5.	Require health care personnel to initial all fee slips for waivers granted prior to	**Completed**	Through discussions held with clinic personnel, it was noted that waivers are	

AUDIT NO./ FINDING	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	the waiver being granted.		approved before such waiver is granted and that management reports are prepared to detail waivers granted by program.	
6.	Require that no cash be given to patients or staff from the cash registers outside of cash given in settlement of a payment transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that cash is not given to patients or staff from the cash drawer	
7.	Ensure all patients are required to have an interview with the eligibility screener to determine income level and governmental fund eligibility, at which time the screener determines the appropriate fee code and documents it in the medical record.	**Completed**	Through discussions held with clinic personnel, it was noted that eligibility screening occurs for every patient. The only time coverage is not provided would be nights and weekends after the eligibility workers are off duty. Registration performs this function in the absence of an eligibility screener.	
97-33 1.	Maintain logs detailing the amount of drugs taken from the central pharmacy storage area to the program areas and log drugs dispensed to patients at all health clinics. The two pharmaceutical logs should be maintained and updated consistently.	**Completed**	Through discussions held with clinic personnel, it was noted that a log is maintained of medication that is received from the Central Pharmacy and a log is maintained of medication dispensed to patients. Each service area has a cart that is stocked with medication and a nurse documents medication dispensed to a patient. The reconciliation is performed daily in this area.	
2.	Require a second person at each health center to be responsible for counting items received and verifying that count against the packing slip and requisition. After count is verified, documents should be initialed and added to the files	**Completed**	Through discussions held with clinic personnel, it was noted that two separate employees perform this function. The employee who receives a delivery will verify the contents received against the packing slip, initial and date the manifest	

AUDIT NO./ FINDING	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	maintained by the supply clerk. Also, administrators periodically audit a requisition by checking that no items on the requisition have adequate stock levels in the central storage area.		slip, and file the packing slip and manifest slip. It was represented to us that requisitions are reviewed for reasonableness before approval.	
97-34 1.	Use the ACCLAIM system to decentralize and automate center processes in order to streamline center patient flow, and each center service (i.e., family planning, maternity, etc.) should be assigned its own registration desk.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, both the clinic and Central Office have reviewed the patient flow process to determine where improvements could be made. The Central Office performs a monthly patient flow analysis.	Processes cannot be automated until a New Clinic Management System is installed in mid to late 2000. A process re-engineering project to stream line manual processing will begin in fall 1999.
2.	Ensure data in existing medical records has been reviewed by center program managers and medical records staff in order to consolidate data requirements where possible.	**Not Completed**	Through discussions held with clinic personnel, it was noted that this procedure has not been performed.	Quality Improvement Teams are assessing this issue. This area will be addressed with re-engineering projects during the next year.
3.	Consider the use of "electronic pen" technology as an enhancement to proposed center automation which would result in potential reduction of hard-copy documentation to be maintained in patient files.	**Completed**	Through discussions held with clinic personnel, it was noted that discussions have included scanners and electronic pens as possible enhancements for the new system. Clinic personnel were not aware if any enhancements have been approved.	

Sunnyside Clinic

HOUSTON DEPARTMENT OF HEALTH AND HUMAN SERVICES
SUNNYSIDE CLINIC

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
97-30 1.	Perform a self-audit of registration forms or Implementation of additional system controls.	**Completed**	Through discussions held with clinic personnel, it was noted that the Administrative Supervisor performs a daily in-house review of registration forms. The Central Office performs unannounced reviews on a periodic basis. The last review was performed in March 1999.	
2.	Review and initial the registration form by the eligibility screener. Require that income data and residency information be recorded for each patient. Require the screener and patient to initial the income data. Screener should determine and initial the fee code.	**Completed**	Through discussions held with clinic personnel, it was noted that the registration screener would review the registration form to ensure the income and residency information had been completed. The eligibility screener would determine eligibility and assess a fee if appropriate. Judgmentally selected 5 patient files from the month of May 1999 for each service area (Well Child, TB, STD, Maternity, Family Planning and Dental) and noted that patient and eligibility screener signed the completed form. All selected files from the service areas contained the patient's residency, income data, and signature of the eligibility screener and patient.	
3.	Maintain the dental eligibility certification form in the patient's health	**Completed**	Through discussions held with clinic personnel, it was noted that a form	

	center record.		determining eligibility is maintained in the patient's record. Judgmentally selected 5 patient files from the month of May 1999 and verified that the dental eligibility card was maintained in the patient's file.	
4.	Require health centers to use the Prenatal Eligibility Form to document each maternity patient's eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel, it was noted that the prenatal eligibility form is used to document each maternity patient's eligibility status. Judgmentally selected 5 maternity patients from the month of May 1999 and verified that the files contained documentation of the patient's Medicaid eligibility status.	
5.	The Prenatal Screening Record should include documentation as to whether the patient was screened for Title V eligibility and the results of such screening.	**Completed**	Through discussions held with clinic personnel, it was noted that the maternity patient's Medicaid or Title V eligibility status is documented. Judgmentally selected 5 maternity patients from the month of May 1999 and verified that the files reviewed contained documentation of the patient's Medicaid or Title V eligibility status.	
6.	Eligibility screeners should document the HCHD Card referral eligibility process for maternity patients.	**Completed**	Through discussions held with clinic personnel, it was noted that the nurse documents the HCHD card referral. Judgmentally selected 5 maternity patients from the month of May 1999 and verified that the files contained documentation of the patient's referral to request a HCHD Gold card.	
7.	Documentation of the patient's Gold Card number should be included in the patient's file. Create a standard form to	**Completed**	Through discussions held with clinic personnel, it was noted that if applicable, the Gold Card number is	

	record this data.		documented in the patient's file. The POPRAS form is used to record the patient's gold card number. Judgmentally selected 5 maternity patient's files from the month of May 1999 to review. The patient's referral was documented in the patient's file and if a Gold Card had been obtained the number was documented. Some patient's request for a Gold card was still pending.	
8.	Generate a Medicaid eligibility form to include in the EPSDT screening record which would document the Medicaid eligibility screening process.	**Completed**	Through discussions held with clinic personnel, it was noted that the Well Child patient's receive an eligibility screening and the results are documented in the patient's record. Judgmentally selected 5 Well Child patients from the month of May 1999 and verified that the files contained documentation of the patient's Medicaid eligibility status.	
9.	Medicaid eligibility form referred to above should include whether the patient was screened for Title V eligibility.	**Completed**	Through discussions held with clinic personnel, it was noted that if a patient does not qualify for Medicaid insurance the screener will determine eligibility for Title V eligibility status. The results are documented in the patient's file. Judgmentally selected 5 Well Child patients from the month of May 1999 and verified that the files contained documentation of the patient's Medicaid or Title V eligibility status.	
10.	Modifications in scheduling and employee workloads should be considered to ensure all Well Child patients have an eligibility interview.	**Completed**	Through discussions held with clinic personnel, it was noted that eligibility screener's lunches are staggered and every Well Child patient is screened for eligibility. Judgmentally selected 5 Well Child patients from the month of May	

			1999 and verified that the files contained documentation of the patient's Medicaid or Title V eligibility screening.	
11.	An interview with an eligibility screener for TB programs should be required to determine the patient's income and status of eligibility for Medicaid.	**Not Completed**	Through discussions held with clinic personnel, it was noted that TexMedNet is accessed by the registration screener to determine a patient's Medicaid eligibility status. Income is documented to assess fees. We judgmentally selected 5 TB patient files for the month of May 1999 to review that the patient file had documented the income and Medicaid or Title V eligibility status of the patient. We noted that the patient's file did not contain the results of the Medicaid eligibility status.	TB programs are now screened for Medicaid status using the state screening software, TexMedNet. Documentation is maintained in the patient's medical record.
97-31 1.	Verify that the new computer system notifies billing staff in the Central Office of a patient's change in eligibility status.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the Central Office is notified of a patient's change in eligibility status when the data collected and forwarded to the Central Office is entered by Data Entry.	With the implementation of the new fee and collection policy, a copy of the service fee form is forwarded to Business Management with this information.
2.	Central Office should develop a process to update patient information in the system and notify the health centers of the Medicaid numbers found during the billing process.	**Not Completed**	The ACCLAIM computer system was not implemented due to the vendor filing for bankruptcy, therefore this process has not been implemented..	Each Health Center has access to the state software TexMedNet. Business Management receives the service fee forms and has implemented an accounts receivable database. Central Office will develop a system that verifies Medicaid numbers as well as current status of Medicaid eligibility.
3.	Manual cards detailing accounts receivable balances due by patient should be maintained at the health centers until the information system is in	**Partially Completed**	Through discussions held with clinic personnel, and observations, it was noted that a central accounts receivable file is not maintained, but rather is	This is addressed in the new fee and collection policy effective 8/1/99. This entails a manual system using the new service form for A/R balances that are

	place.		contained in individual patient files. Judgmentally selected 5 Family Planning patient's files and verified that the patient's file contained an accounts receivable summary balance for each visit.	forwarded to Business Management a copy in the chart and a copy on file at the center.
97-32 1.	Fee slips should be numbered, a daily log maintained, and document the medical record number to whom the slip was issued. Reconcile the fee slips issued to the fee slips presented by patients and determine if there are any unaccounted fee slips.	**Not Completed**	Through discussions held with clinic personnel, it was noted that fee slips are manually numbered, a reconciliation is performed between the fee slips presented for payment and the cash register receipt. No reconciliation is performed to ensure that all fee slips have been accounted for. The patient flow requires patients to pay for services before services are rendered.	This item is resolved with the new fee and collection policy implemented 8/1/99.
2.	Require cashiers to initial all fee slips. Require that fee slips be manually completed at the time of transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that cashiers are required to initial all fee slips. Fee slips are manually prepared at the time of transaction.	
3.	The amount of waivers by program should be tracked as a monthly operating statistics. Track the cashier and administrative supervisor approvals for each waiver.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the collection and analysis of fees waived are not tracked. The Administrative Supervisor does review waivers before the waiver is granted.	The implementation of the new fee and collection policy allows partial payment. Fees will no longer be waived. A report on the amount of partial payment reductions is generated from the forms that are sent to business Management.
4.	Ensure all waiver policies are approved by the Department of Health and Human Services Administration.	**Completed**	Through discussions held with clinic personnel, it was noted that the waiver policies were issued and approved by the Department of Health and Human Services Administration. The policies are the guidelines the clinic follows when granting a waiver.	
5.	Require health care personnel to initial all fee slips for waivers granted prior to	**Completed**	Through discussions held with clinic personnel, it was noted that the	

	the waiver being granted.		Administrator Supervisor reviews and initials all waivers before the cashier will process the fee slip.	
6.	Require that no cash be given to patients or staff from the cash registers outside of cash given in settlement of a payment transaction.	**Not Completed**	Through discussions held with clinic personnel, and the Sunnyside Clinic cashier, it was noted that change is currently made from the cash drawer and the cash receipt is not kept.	This area is assessed as part of the QI process to ensure that the current procedures, which prohibit this practice, are followed. This policy will be addressed with individual sites out of compliance.
7.	Ensure all patients are required to have an interview with the eligibility screener to determine income level and governmental fund eligibility, at which time the screener determines the appropriate fee code and documents it in the medical record.	**Completed**	Through discussions held with clinic personnel, it was noted that all patients are interviewed by an eligibility or registration screener and the patient's income level is determined.	
97-33 1.	Maintain logs detailing the amount of drugs taken from the central pharmacy storage area to the program areas and log drugs dispensed to patients at all health clinics. The two pharmaceutical logs should be maintained and updated consistently.	**Completed**	Through discussions held with clinic personnel, and the Sunnyside Clinic Nurse Coordinator, it was noted that the medication received from the Central Pharmacy is maintained in a log. A log is maintained of all medication dispensed to patients. A reconciliation is performed to verify the inventory on hand and the medication dispensed to patients agree to the medication received from Central Pharmacy. Discrepancies are discussed with the nurses.	
2.	Require a second person at each health center to be responsible for counting items received and verifying that count against the packing slip and requisition. After count is verified, documents should be initialed and added to the files	**Not Completed**	Through discussions held with clinic personnel, it was noted that the same individual orders and receives the office supplies. The Clinic Manager reviews all	Will develop a policy to address this recommendation.

	maintained by the supply clerk. Also, administrators periodically audit a requisition by checking that no items on the requisition have adequate stock levels in the central storage area.		requisitions for reasonableness before she approves them.	
97-34 1.	Use the ACCLAIM system to decentralize and automate center processes in order to streamline center patient flow, and each center service (i.e., family planning, maternity, etc.) would be assigned its own registration desk.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, both the clinic and Central Office have reviewed the patient flow process to determine where improvements could be made. The Central Office performs a monthly patient flow analysis.	Processes cannot be automated until a New Clinic Management System is installed in mid to late 2000. A process re-engineering project to stream line manual processing will begin in fall 1999.
2.	Ensure data in existing medical records has been reviewed by center program managers and medical records staff in order to consolidate data requirements where possible.	**Not Completed**	Through discussions held with clinic personnel, it was noted that Quality Improvement Team started this process.	Quality Improvement Teams are assessing this issue. This area will be addressed with re-engineering projects during the next year.
3.	Consider the use of "electronic pen" technology as an enhancement to proposed center automation which would result in potential reduction of hard-copy documentation maintained in patient files.	**Completed**	Through discussions held with clinic personnel, it was noted that new technology discussions relating to scanning and electronic pens devises for the new system have been discussed.	

Lyons Clinic

HOUSTON DEPARTMENT OF HEALTH AND HUMAN SERVICES
LYONS CLINIC

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
97-30 1.	Perform a self-audit of registration forms or Implementation of additional system controls.	**In Progress**	Through discussions held with clinic personnel, it was noted that this procedure has not been implemented. However, clinic personnel noted that the clinic reviews these forms on a daily basis.	
2.	Review and initial the registration form by the eligibility screener. Require that income data and residency information be recorded for each patient. Require the screener and patient to initial the income data. Screener should determine and initial the fee code.	**Completed**	Through discussions held with clinic personnel, it was noted that these procedures have been incorporated into the registration process. We judgmentally selected 5 patient files from Well Child, TB, STD, Family Planning, and Dental from May 1999 and noted that the patient and eligibility screener signed the completed form. All selected files from the service areas contained the patient's residency, income data, and signature of the eligibility screener and patient.	
3.	Maintain the dental eligibility certification form in the patient's health center record.	**Completed**	Through discussions held with clinic personnel, the dental certification form is maintained in the patient's record. We judgmentally selected 5 dental May 1999 patient files and verified that the dental eligibility certification form was maintained in the patient's file.	
4.	Require health centers to use the Prenatal Eligibility Form to document each maternity patient's eligibility for	**Completed**	Through discussions held with clinic personnel, we noted that prenatal eligibility forms are used to document	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	Medicaid.		Medicaid eligibility. Access to the states TexMedNet system will provide the patient's current Medicaid eligibility status. A copy of this query is maintained in the patient's file. We judgmentally selected 5 maternity patients from May 1999 and verified that the Medicaid eligibility results were properly documented	
5.	The Prenatal Screening Record should include documentation as to whether the patient was screened for Title V eligibility and the results of such screening.	**Completed**	Through discussions held with clinic personnel, it was noted that there is a form to document the patient's Title V eligibility status. We judgmentally selected 5 maternity patients from May 1999 and verified that the Title V eligibility results were properly documented.	
6.	Eligibility screeners should document the HCHD Card referral eligibility process for maternity patients.	**Completed**	Through discussions held with clinic personnel, the HCHD Gold Card number is recorded on the POPRAS form. The Quality Improvement team will review such forms for possible reengineering. We judgmentally selected 5 maternity patients from May 1999 and verified that the referral for the HCHD Gold Card had been properly documented. All five files contained the status of the patient's HCHD Gold Card. One patient had not received a Gold Card at	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			the time of the patient's last visit to the clinic.	
7.	Documentation of the patient's Gold Card number should be included in the patient's file. Create a standard form to record this data.	**Completed**	Through discussions held with clinic personnel, it was noted that the Gold card number is recorded on the POPRAS form. Four of five patient's files that were selected for testing had a documented HCHD Gold Card number. The status of one patient's Gold Card referral was pending.	
8.	Generate a Medicaid eligibility form to include in the EPSDT screening record which would document the Medicaid eligibility screening process.	**Completed**	Through discussions held with clinic personnel, it was noted that a form is used to record the EPSDT Medicaid eligibility status. We judgmentally selected 5 patient files from May 1999 to review and noted that all of the EPSDT files documented the results of the Medicaid and Title V eligibility screening.	
9.	Medicaid eligibility form referred to above should include whether the patient was screened for Title V eligibility.	**Completed**	Through discussions held with clinic personnel, the EPSDT form includes the status of the patient's Title V eligibility. We judgmentally selected 5 Well Child patient files from May 1999 and noted that the patient file had documented the Title V eligibility status if the patient was not eligible for Medicaid.	
10.	Modifications in scheduling and employee workloads should be	**Completed**	Through discussions held with clinic personnel, it was noted that all Well	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	considered to ensure all Well Child patients have an eligibility interview.		Child patients must be screened for eligibility. Clinic personnel represented to us that this procedure had been accomplished through cross training.	
11.	An interview with an eligibility screener for STD and TB programs should be required to determine the patient's income and status of eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel, it was noted that screening for the STD and TB programs is performed by screeners and the registration clerk.	
97-31 1.	Verify that the new computer system notifies billing staff in the Central Office of a patient's change in eligibility status.	**Not Completed**	Through discussions held with clinic personnel, it was noted that implementation of the system has been delayed due to the bankruptcy of the selected vendor. A new vendor is in the system development stage. The clinic accesses the states TexMedNet system to determine a patient's current eligibility status. A copy of the results of the query is maintained in the patient's file.	With the implementation of the new fee and collection policy, a copy of the service fee form is forwarded to Business Management with this information.
2.	Central Office should develop a process to update patient information in the system and notify the health centers of the Medicaid numbers found during the billing process.	**Not Completed**	The ACCLAIM computer system was not implemented due to the vendor filing for bankruptcy, therefore, this process has not been implemented.	Each Health Center has access to the state software TexMedNet. Business Management receives the service fee forms and has implemented an accounts receivable database. Central Office will develop a system that verifies Medicaid numbers as well as current status of Medicaid eligibility.
3.	Manual cards detailing accounts receivable balances due by patient	**Partially Completed**	Through discussions held with clinic personnel, it was noted that accounts	This is addressed in the new fee and collection policy effective 8/1/99. This

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	should be maintained at the health centers until the information system is in place.		receivable balances are tracked for Family Planning purposes only. The patient's file contains the fees assessed, paid, and any outstanding accounts receivable balances.	entails a manual system using the new service fee form for A/R balances that are forwarded to Business Management, a copy in the chart and a copy on file at the center.
97-32 1.	Fee slips should be numbered, a daily log maintained, and document the medical record number to whom the slip was issued. Reconcile the fee slips issued to the fee slips presented by patient and determine if there are any unaccounted fee slips.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the Quality Improvement team has been tasked with developing polices and procedures related to fees. The Quality Improvement team will include creating fee slips. The current practice does not account for fee slips. However the flow of patients through the clinic requires a patient to pay for services before the service activity is performed.	This item is resolved with the new fee and collection policy implemented 8/1/99.
2.	Require cashiers to initial all fee slips. Require that fee slips be manually completed at the time of transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that cashiers are required to initial fee slips.	
3.	The amount of waivers by program should be tracked as a monthly operating statistics. Track the cashier and administrative supervisor approvals for each waiver.	**Completed**	Through discussions held with clinic personnel, it was noted that waivers are documented and approved.	
4.	Ensure all waiver policies are approved by the Department of Health and Human Services Administration.	**Completed**	Through discussions held with clinic personnel, it was noted that the waiver policy has been approved by the Department of Health and Human Services Administration.	
5.	Require health care personnel to initial all fee slips for waivers granted prior to	**Not Completed**	Through discussions held with clinic personnel, it was noted that fee slips for	This is addressed in the new fee and collection policy. Administrative

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	the waiver being granted.		waivers are initialed at the time the waiver is granted. The Lyons clinic follows this waiver policy.	designee must approve all partial payments.
6.	Require that no cash be given to patients or staff from the cash registers outside of cash given in settlement of a payment transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that a procedure has been implemented that restricts non-cash transactions.	
7.	Ensure all patients are required to have an interview with the eligibility screener to determine income level and governmental fund eligibility, at which time the screener determines the appropriate fee code and documents it in the medical record.	**Completed**	Through discussions held with clinic personnel, it was noted this recommended process is currently recorded. Additionally, the Quality Improvement team has been tasked to reengineer these forms.	
97-33 1.	Maintain logs detailing the amount of drugs taken from the central pharmacy storage area to the program areas and log drugs dispensed to patients at all health clinics. The two pharmaceutical logs should be maintained and updated consistently.	**Partially Completed**	Through discussions held with clinic personnel, it was noted that logs are maintained of the drugs delivered to the clinic. Drugs dispensed to the patient are recorded in the patient's file. A log is not maintained of drugs dispensed to patients. Quality Improvement team has been assigned with the responsibility to create a form that will enable tracking of drugs dispensed to patients.	In accordance with TDH recommendations, a system is being piloted at two health centers (Northside and Casa).
2.	Require a second person at each health center to be responsible for counting items received and verifying the count to the packing slip and requisition. After the count is verified, documents should be initialed and added to the files maintained by the supply clerk. Also, administrators should periodically audit a	**Completed**	Through discussions held with clinic personnel, it was noted that currently this segregation of responsibility is done by separating the ordering and receiving function. Additionally, management stated that they review orders and verify that supply levels are low before the order is processed.	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	requisition by checking that no items on the requisition have existing adequate stock levels in the central storage area.			
97-34 1.	Use the ACCLAIM system to decentralize and automate center processes in order to streamline center patient flow, and each center service (i.e., family planning, maternity, etc would be assigned its own registration desk.	**Not Completed**	Through discussions held with clinic personnel, it was noted that implementation of the ACCLAIM system did not occur due to the bankruptcy of the vendor selected.	Processes cannot be automated until a New Clinic Management System is installed in mid to late 2000. A process re-engineering project to stream line manual processing will begin in fall 1999.
2.	Ensure data in existing medical records has been reviewed by central program managers and medical records staff in order to consolidate data requirements where possible.	**Completed**	Through discussions held with clinic personnel, it was noted that Program Engineering Quality Improvement teams reviewed the existing forms and consolidated the forms where possible in September and October of 1999.	
3.	Consider the use of "electronic pen" technology as an enhancement to proposed center automation which would result in potential reduction of hard-copy documentation maintained in patient files.	**Completed**	Through discussions held with clinic personnel, it was noted that the use of enhanced technological improvements such as scanners and electronic pens are under consideration.	

Magnolia Clinic

HOUSTON DEPARTMENT OF HEALTH AND HUMAN SERVICES
MAGNOLIA CLINIC

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
97-30 1.	Perform a self-audit of registration forms or Implementation of additional system controls.	**Completed**	Through discussions held with clinic personnel, it was noted that the Administrative Supervisor reviews the forms on a daily basis. The Central Office also performs a review of this information when it is sent to the main office.	
2.	Review and initial the registration form by the eligibility screener. Require that income data and residency information be recorded for each patient. Require the screener and patient to initial the income data. Screener should determine and initial the fee code.	**Completed**	Through discussions held with clinic personnel, it was noted that the registration forms are reviewed and signed by the patient and eligibility screener. The eligibility screener screens for income data and residency information. The eligibility clerk then assesses the fee code. We judgmentally selected 5 patient files from May 1999 for each service area (Well Child, TB, STD, Family Planning and Dental) and noted that the patient and eligibility screener signed the completed form. All selected files from the service areas contained the patient's residency, income data, and signature of the eligibility screener and patient.	
3.	Maintain the dental eligibility certification form in the patient's health center record.	**Not Applicable**	Not Applicable - the clinic does not provide dental services.	
4.	Require health centers to use the Prenatal Eligibility Form to document each maternity patient's eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel, it was noted that a prenatal form is used to document eligibility for Medicaid.	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			We judgmentally selected 5 maternity patients from May 1999 and verified that the Medicaid eligibility results were documented.	
5.	The Prenatal Screening Record should include documentation as to whether the patient was screened for Title V eligibility and the results of such screening.	**Completed**	Through discussions held with clinic personnel, it was noted that the Title V eligibility is documented if a patient does not qualify for Medicaid. We judgmentally selected 5 maternity patients from May 1999 and verified that the Title V eligibility results were documented.	
6.	Eligibility screeners should document the HCHD Card referral eligibility process for maternity patients.	**Completed**	Through discussions held with clinic personnel, it was noted that the HCHD card referral is documented by the nurse for maternity patients. Such discussions are documented in the note sheets that the nurse completes during a patient visit. Patients are referred for the HCHD Gold card for ultrasound or a high-risk pregnancy. We judgmentally selected 5 maternity patients from May 1999 and verified that the referral for the HCHD Gold Card had been documented. All five files contained the status of the patient's referral for the HCHD Gold Card. Two patients file contained documentation of their Gold Card number.	
7.	Documentation of the patient's Gold Card number should be included in the patient's file. Create a standard form to	**Completed**	Through discussions held with clinic personnel, it was noted that registration personnel document the Gold Card	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	record this data.		number on the POPRAS form. We judgmentally selected 5 patients from May 1999 and noted that all five patient's Gold Card referral had been made. The results of the referral for the HCHD Gold Card were pending for three of the five patients.	
8.	Generate a Medicaid eligibility form to include in the EPSDT screening record which would document the Medicaid eligibility screening process.	**Completed**	Through discussions held with clinic personnel, it was noted that a Well Child Medicaid eligibility form is used to document the results of the eligibility screening. We judgmentally selected 5 Well Child patient files from May 1999 to review and noted that all of the EPSDT files documented the results of the Medicaid and Title V eligibility screening.	
9.	Medicaid eligibility form referred to above should include whether the patient was screened for Title V eligibility.	**Completed**	Through discussions held with clinic personnel, it was noted that patients are screened for Title V eligibility if the patient was not eligibility for Medicaid. We judgmentally selected 5 Well Child patient files for the month of May 1999 and verified that the patient file had documented the Title V eligibility status if such patient was not eligible for Medicaid.	
10.	Modifications in scheduling and employee workloads should be considered to ensure all Well Child	**Completed**	Through discussions held with clinic personnel, it was noted that every Well Child patient is interviewed by an	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	patients have an eligibility interview.		eligibility screener. The clinic has staggered lunch hours to ensure an eligibility clerk is available. A clerk has been cross-trained to act as a backup if necessary.	
11.	An interview with an eligibility screener for STD and TB programs should be required to determine the patient's income and status of eligibility for Medicaid.	**Not Applicable**	Not Applicable – STD and TB services are not offered at this clinic.	
97-31 1.	Verify that the new computer system notifies billing staff in the Central Office of a patient's change in eligibility status.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system has not been implemented. However, during the billing process any change in eligibility status is sent to the Central Office for data entry.	With the implementation of the new fee and collection policy, a copy of the service fee form is forwarded to Business Management with this information.
2.	Central Office should develop a process to update patient information in the system and notify the health centers of the Medicaid numbers found during the billing process.	**Not Completed**	The ACCLAIM computer system has not implemented due to the vendor filing for bankruptcy, therefore the process has not been implemented.	Each Health Center has access to the state software TexMedNet. Business Management receives the service fee forms and has implemented an accounts receivable database. Central Office will develop a system that verifies Medicaid numbers as well as current status of Medicaid eligibility.
3.	Manual cards detailing A/R balances due by patient should be maintained at the health centers until the information	**Partially Completed**	Through discussions held with clinic personnel, it was noted that a payment record is maintained in the patient's file,	This is addressed in the new fee and collection policy effective 8/1/99. This entails a manual system using the new

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
	system is in place.		but not in a central file. Judgmentally selected 5 Family Planning patient files to review and noted that such files contained the fees assessed, paid, and any outstanding accounts receivable balances.	service fee form for A/R balances that are forwarded to Business Management, a copy in the chart and a copy on file at the center.
97-32 1.	Fee slips should be numbered, a daily log maintained, and document the medical record number to whom the slip was issued. Reconcile the fee slips issued to the fee slips presented by patients and determine if there are any unaccounted fee slips.	**Completed**	Through discussions held with clinic personnel, it was noted that fee slips are numbered and each patient is assigned a number. A patient log is maintained for each service area provided. The medical record number is issued which the cashier verifies to the fee slip and patient number. The Administrative Supervisor reviews the fee slips. Fee slips issued are tied in total to fee slips presented to the cashier. Patient flow ensures the patient is processed by the cashier before services are rendered.	
2.	Require cashiers to initial all fee slips. Require that fee slips be manually completed at the time of transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that cashiers initial fee slips. Fee slips are prepared manually at the time of a transaction.	
3.	The amount of waivers by program should be tracked as a monthly operating statistics. Track the cashier and administrative supervisor approvals for each waiver.	**Completed**	Through discussions held with clinic personnel, it was noted that such information is currently being tracked. Administrative Supervisor reviews waivers on a daily basis. A wavier summary sheet was reviewed. The waivers were tracked by service area	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			and reconciled with the patient log and the cash receipts to ensure all fees and waivers were accounted for.	
4.	Ensure all waiver policies are approved by the Department of Health and Human Services Administration.	**Completed**	Through discussions held with clinic personnel, it was noted that a waiver policy was issued and approved by the Department of Health and Human Services Administration.	
5.	Require health care personnel to initial all fee slips for waivers granted prior to the waiver being granted.	**Completed**	Through discussions held with clinic personnel, it was noted that waivers are approved before the waiver is granted.	
6.	Require that no cash be given to patients or staff from the cash registers outside of cash given in settlement of a payment transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that change is not given to patients or staff from cash drawers.	
7.	Ensure all patients are required to have an interview with the eligibility screener to determine income level and governmental fund eligibility, at which time the screener determines the appropriate fee code and documents it in the medical record.	**Completed**	Through discussions held with clinic personnel, it was noted that eligibility screening occurs for every patient.	
97-33 1.	Maintain logs detailing the amount of drugs taken from the central pharmacy storage area to the program areas and log drugs dispensed to patients at all health clinics. The two pharmaceutical logs should be maintained and updated consistently.	**Partially Completed**	Through discussions held with clinic personnel, it was noted that a log is maintained as medication from the Central Pharmacy is received. A log is maintained of medication dispensed to patients. Each service area has a cart that is stocked with medication. A nurse documents medication dispensed to a patient. A reconciliation of medication dispensed	In accordance with TDH recommendations, a system is being piloted at two health centers (Northside and Casa).

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			from the Central Pharmacy with medication dispensed to patients is not performed.	
2.	Require a second person at each health center to be responsible for counting items received and verifying that count against the packing slip and requisition. After count is verified, documents should be initialed and added to the files maintained by the supply clerk. Also, administrators should periodically audit a requisition to ensure that no items on the requisition have adequate stock levels in the central storage area.	**Completed**	Through discussions held with clinic personnel, it was noted that two separate employees perform this function. The employee who receives deliveries verifies the contents received against the packing slip, initials, dates and files the manifest slip. Requisitions are reviewed for reasonableness before approval.	
97-34 1.	Use the ACCLAIM system to decentralize and automate center processes in order to streamline center patient flow, and each center service (i.e., family planning, maternity, etc.) would be assigned its own registration desk.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, patient flow is monitored by both the clinic and the Central Office. The Central Office performs a monthly analysis and makes suggestions when areas for improvement are noted.	Processes cannot be automated until a New Clinic Management System is installed in mid to late 2000. A process re-engineering project to stream line manual processing will begin in fall 1999.
2.	Ensure data in existing medical records has been reviewed by center program managers and medical records staff in order to consolidate data requirements where possible.	**Not Completed**	Through discussions held with clinic personnel, it was noted that recommendation was reviewed but not implemented.	Quality Improvement Teams are assessing this issue. This area will be addressed with re-engineering projects during the next year.

HOUSTON DEPARTMENT OF HEALTH AND HUMAN SERVICES
MAGNOLIA CLINIC

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
3.	Consider the use of "electronic pen" technology as an enhancement to proposed center automation which would result in potential reduction of hard-copy documentation maintained in patient files.	**Completed**	Through discussions held with clinic personnel, it was noted that discussions have included identification cards and scanners as possible enhancements for the new system. Clinic personnel were not aware if any of the above noted enhancements have been approved.	

Northside Clinic

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK TO BE PERFORMED	HDHHS RESPONSES
97-30 1.	Perform a self-audit of registration forms or Implementation of additional system controls.	**Completed**	Through discussions held with clinic personnel, it was noted that Northside performs an audit of registration forms. The Central Office performed an audit approximately every 6 months.	
2.	Review and initial the registration form by the eligibility screener. Require that income data and residency information be recorded for each patient. Require the screener and patient to initial the income data. Screener should determine and initial the fee code.	**Completed**	Through discussions held with clinic personnel, it was noted that a review of the registration form for income data and residency is performed. The screener also determines the fee code. Judgmentally selected 5 patient files from May 1999 for each service area (Well Child, TB, STD, Family Planning, and Dental and noted that the patient and eligibility screener signed the completed form. All selected files from the service areas contained the patient's residency, income data, and signature of the eligibility screener and patient.	
3.	Maintain the dental eligibility certification form in the patient's health center record.	**Completed**	Through discussions held with clinic personnel, it was noted that the dental certificate is maintained in the patient's dental file. Judgmentally selected 5 dental patient files from May 1999 and verified that the dental eligibility certification form was maintained in the patient's file.	
4.	Require health centers to use the Prenatal Eligibility Form to document each maternity patient's eligibility for	**Completed**	Through discussions held with clinic personnel, it was noted that the Medicaid eligibility status is recorded	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK TO BE PERFORMED	HDHHS RESPONSES
	Medicaid.		for maternity patients. Judgmentally selected 5 maternity patients from May 1999 and verified that the Medicaid eligibility results were documented.	
5.	The Prenatal Screening Record should include documentation as to whether the patient was screened for Title V eligibility and the results of such screening.	**Completed**	Through discussions held with clinic personnel, it was noted that Title V information is obtained when appropriate and documented on an eligibility form. Judgmentally selected 5 maternity patients from May 1999 and verified that the Title V eligibility results were documented.	
6.	Eligibility screeners should document the HCHD Card referral eligibility process for maternity patients.	**Completed**	Through discussions held with clinic personnel, it was noted that eligibility screeners document the HCHD card information in the patient's file. Judgmentally selected 5 maternity patients from May 1999 to verify that the referral for the HCHD Gold Card had been documented. The following items were noted: • One referral was missing • Three referrals had been documented and the Gold Card number was pending • One patient's Gold card number had been documented.	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK TO BE PERFORMED	HDHHS RESPONSES
7.	Documentation of the patient's Gold Card number should be included in the patient's file. Create a standard form to record this data.	**Completed**	Through discussions held with clinic personnel, it was noted that nurses document the patient's Gold Card status number through discussions held with the patient. Based upon a review of 5 patient's files the following items were noted: • One of the five patient's Gold Card number had been documented. • Three patient's Gold Card Status were pending. • One patient's referral for the HCHD Gold Card was missing.	
8.	Generate a Medicaid eligibility form to include in the EPSDT screening record which would document the Medicaid eligibility screening process.	**Completed**	Through discussions held with clinic personnel, it was noted that a form is used to document the Medicaid eligibility status. Judgmentally selected 5 patient files from May 1999 to review and noted that all of the EPSDT files documented the results of the Medicaid or Title V eligibility screening.	
9.	Medicaid eligibility form referred to above should include whether the patient was screened for Title V eligibility.	**Completed**	Through discussions held with clinic personnel, it was noted that Title V eligibility is documented in the patient's file if the patient does not qualify for Medicaid. Judgmentally selected 5 Well Child patient files for the month of May 1999	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK TO BE PERFORMED	HDHHS RESPONSES
			and verified that the patient file documented the Title V eligibility status if the patient was not eligible for Medicaid.	
10.	Modifications in scheduling and employee workloads should be considered to ensure all Well Child patients have an eligibility interview.	**Completed**	Through discussions held with clinic personnel, it was noted that the Well Child eligibility screeners work hours have been staggered to ensure that there is continuous coverage to conduct eligibility interviews and that every Well Child patient is interviewed.	
11.	An interview with an eligibility screener for STD and TB programs should be required to determine the patient's income and status of eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel, it was noted that the registration personnel document patient's income and Medicaid eligibility. Judgmentally selected 5 STD and TB patient files for the month of May 1999 and verified that the patient file had documentation of the income and Medicaid eligibility status of the patient. Two TB and one STD files did not document the patient's Medicaid eligibility status.	
97-31 1.	Verify that the new computer system notifies billing staff in the Central Office of a patient's change in eligibility status.	**Not Completed**	The computer system was not implemented due to the vendor filing for bankruptcy.	With the implementation of the new fee and collection policy, a copy of the service fee form is forwarded to Business Management with this information.
2.	Central Office should develop a process to update patient information in the system and notify the health centers of	**Not Completed**	The ACCLAIM computer system was not implemented due to the vendor filing for bankruptcy, therefore this	Each Health Center has access to the state software TexMedNet. Business Management receives the service fee

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK TO BE PERFORMED	HDHHS RESPONSES
	the Medicaid numbers found during the billing process.		process has not been implemented.	forms and has implemented an accounts receivable database. Central Office will develop a system that verifies Medicaid numbers as well as current status of Medicaid eligibility.
3.	Manual cards detailing accounts receivable balances due by patient should be maintained at the health centers until the information system is in place.	**Partially Completed**	Through discussions held with clinic personnel, it was noted that accounts receivable balances are tracked for Family Planning purposes only. The patient's file contains the fees assessed, paid, and any outstanding accounts receivable balances. Judgmentally selected 5 patient files from Family Planning for May 1999 and verified that the files contained an accounts receivable summary balance for each visit.	This is addressed in the new fee and collection policy effective 8/1/99. This entails a manual system using the new service fee form for A/R balances that are forwarded to Business Management, a copy in the chart and a copy on file at the center.
97-32 1.	Fee slips should be numbered, a daily log maintained, and document the medical record number to whom the slip was issued. Reconcile the fee slips issued to the fee slips presented by patient and determine if there are any unaccounted fee slips.	**Not Completed**	Through discussions held with clinic personnel, it was noted that fee slips are not numbered. Service areas assign a number to each patient. The clinic cash register automatically assigns a number to each payment received. The patients are required to be processed by the cashier before services are rendered. For non-paying patients the fee is waived during this process by the Administrative Supervisor. The cash drawer is reconciled on a daily basis.	This item is resolved with the new fee and collection policy implemented 8/1/99.
2.	Require cashiers to initial all fee slips. Require that fee slips be manually	**Not Completed**	Through discussions held with clinic personnel, it was noted that cashiers do	This item is resolved with the new fee and collection procedure implemented

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK TO BE PERFORMED	HDHHS RESPONSES
	completed at the time of transaction.		not initial fee slips.	8/1/99.
3.	The amount of waivers by program should be tracked as a monthly operating statistics. Track the cashier and administrative supervisor approvals for each waiver.	**Not Completed**	Through discussions held with clinic personnel, it was noted that this information is not tracked for each program. The Immunizations and Pregnancy programs waive fees for tests. Two people must approve a fee waiver.	The implementation of the new fee and collection policy allows partial payment. Fees will no longer be waived. A report on the amount of partial payment reductions is generated from the forms that are sent to Business Management.
4.	Ensure all waiver policies are approved by the Department of Health and Human Services Administration.	**Completed**	Through discussions held with clinic personnel, it was noted that the waiver policy and procedure was approved and issued by the Health and Human Services Administration.	
5.	Require health care personnel to initial all fee slips for waivers granted prior to the waiver being granted.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the Administrative Supervisor documents the fee waiver on the fee slip. The waivers are not tracked and reported to management.	This is addressed in the new fee and collection policy. Administrative designee must approve all partial payments.
6.	Require that no cash be given to patients or staff from the cash registers outside of cash given in settlement of a payment transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that this process has been in place for approximately 4 months. If the cash drawer is opened for a non-transaction reason a fee slip is used to document the reason why the cash drawer was opened. The fee slip is maintained for reconciliation purposes since the cash register generates a receipt each time the cash drawer is opened.	
7.	Ensure all patients are required to have an interview with the eligibility screener	**Completed**	Through discussions held with clinic personnel, it was noted that all patients	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK TO BE PERFORMED	HDHHS RESPONSES
	to determine income level and governmental fund eligibility, at which time the screener determines the appropriate fee code and documents it in the medical record.		receive an eligibility screening to determine income data, eligibility status, and fee assessments if applicable.	
97-33 1.	Maintain logs detailing the amount of drugs taken from the central pharmacy storage area to the program areas and log drugs dispensed to patients at all health clinics. The two pharmaceutical logs should be maintained and updated consistently.	**Completed**	Through discussions held with clinic personnel, it was noted that a log is maintained of medications received from the Central Pharmacy. Nurses maintained a log for medications dispensed to patients. A reconciliation of the medication inventory and medications dispensed is performed on a daily basis.	
2.	Require a second person at each health center to be responsible for counting items received and verifying that count against the packing slip and requisition. After count is verified, documents should be initialed and added to the files maintained by the supply clerk. Also, administrators periodically audit a requisition by checking that no items on the requisition have adequate stock levels in the central storage area.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the same individual who orders supplies also receives the supplies and performs a count against the packing list. Every order is reviewed and approved by the Manager. The Manager reviews the order for reasonableness.	Will develop a policy to address this recommendation.
97-34 1.	Use the ACCLAIM system to decentralize and automate center processes in order to streamline center patient flow, and each center service (i.e., family planning, maternity, etc.) would be assigned its own registration	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, patient flow is monitored by both the clinic and the Central Office. The Central Office	Processes cannot be automated until a New Clinic Management System is installed in mid to late 2000. A process re-engineering project to stream line manual processing will begin in fall 1999.

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK TO BE PERFORMED	HDHHS RESPONSES
	desk.		performs a monthly analysis and makes suggestions when areas for improvement are noted.	
2.	Ensure data in existing medical records has been reviewed by center program managers and medical records staff in order to consolidate data requirements where possible.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. The Quality Improvement Team was tasked with the responsibility to review the forms for possible improvements and combination. Management was not aware if any of the suggestions had been implemented.	Quality Improvement Teams are assessing this issue. This area will be addressed with re-engineering projects during the next year.
3.	Consider the use of "electronic pen" technology as an enhancement to proposed center automation which would result in potential reduction of hard-copy documentation maintained in patient files.	**Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. Technological enhancements for recording patient information have been discussed. Scanners and electronic pens have been discussed but not implemented.	

Riverside Clinic

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
97-30 1.	Perform a self-audit of registration forms or Implementation of additional system controls.	**Completed**	Through discussions held with clinic personnel, it was noted that the Central Office performs an audit on a quarterly basis. The last Central Office review was performed in April 1999. The Central Office also performs unannounced audits periodically.	
2.	Review and initial the registration form by the eligibility screener. Require that income data and residency information be recorded for each patient. Require the screener and patient to initial the income data. Screener should determine and initial the fee code.	**Completed**	Through discussions held with clinic personnel, it was noted that residency and income data is obtained and reviewed to determine fees. The eligibility screener initials the income data and assigns a fee code if appropriate. We judgmentally selected 5 patient files from May 1999 for each service area (Well Child, TB, STD, Family Planning, and Dental) and noted that the patient and eligibility screener signed the completed form. All selected files from the service areas contained the patient's residency, income data. One signature was missing from a Well Child patient's file. The other patient files were properly documented and included the eligibility screener and patient's signature.	
3.	Maintain the dental eligibility certification form in the patient's health center record.	**Completed**	Through discussions held with clinic personnel, it was noted that the dental eligibility card is maintained in the	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			patient's medical record. We judgmentally selected 5 dental patient files from May 1999 and verified that the dental eligibility certification form is maintained in the patient's file.	
4.	Require health centers to use the Prenatal Eligibility Form to document each maternity patient's eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel, it was noted that the Medicaid eligibility status is documented and maintained in the patient's file. We judgmentally selected 5 maternity patients from May 1999 and verified that the Medicaid eligibility results were documented.	
5.	The Prenatal Screening Record should include documentation as to whether the patient was screened for Title V eligibility and the results of such screening.	**Completed**	Through discussions held with clinic personnel, it was noted that if the patient does not qualify for Medicaid, the patient would then be screened for Tittle V eligibility, with the results of such screening being documented in the patient's file. We judgmentally selected 5 maternity patients from May 1999 and verified that the Title V eligibility results were documented.	
6.	Eligibility screeners should document the HCHD Card referral eligibility process for maternity patients.	**Completed**	Through discussions held with clinic personnel, it was noted that the HCHD referral is documented in the patient's file. Gold Cards are issued for services	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			that are to be performed at the City of Houston Hospitals On Fridays a HCHD representative is onsite to process maternity patient's application or referral for a Gold Card. We judgmentally selected 5 maternity patients from May 1999 and verified that the referral for the HCHD Gold Card had been documented.	
7.	Documentation of the patient's Gold Card number should be included in the patient's file. Create a standard form to record this data.	**Completed**	Through discussions held with clinic personnel, it was noted that the Gold Card number is documented in the patient's file on the referral form. We judgmentally selected 5 maternity patients from May 1999 and verified that the referral for the HCHD Gold Card number had not been documented due to the pending status of the patient's Gold Cards	
8.	Generate a Medicaid eligibility form to include in the EPSDT screening record which would document the Medicaid eligibility screening process.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the eligibility form is completed for all Well Child patients. We judgmentally selected 5 Well Child patient files for the month of May 1999 to review that the patient file had documented the Title V eligibility status if the patient was not eligible for Medicaid. We noted that four of the five patient files reviewed did not contain the status of the Medicaid or Title V eligibility status.	Will re-enforce with eligibility staff, the need to include a Medicaid screening record in Well Child Records to document Medicaid Status.

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
9.	Medicaid eligibility form referred to above should include whether the patient was screened for Title V eligibility.	**Not Completed**	Through discussions held with clinic personnel, it was noted that Title V eligibility would be determined and documented if the patient did not qualify for Medicaid benefits. We judgmentally selected 5 Well Child patient files for the month of May 1999 to review that the patient file had documented the Title V eligibility status if the patient was not eligible for Medicaid. We noted that four of the five patient files reviewed did not contain the status of the Medicaid or Title V eligibility status.	Will re-enforce with eligibility staff, the need to include a Title V screening record in Well Child Records to document Title V status.
10.	Modifications in scheduling and employee workloads should be considered to ensure all Well Child patients have an eligibility interview.	**Completed**	Through discussions held with clinic personnel, it was noted that all Well Child patients are interviewed by an eligibility screener. The eligibility screeners' hours have been staggered to ensure that there is always a Well Child eligibility screener available to perform screening activity.	
11.	An interview with an eligibility screener for STD and TB programs should be required to determine the patient's income and status of eligibility for Medicaid.	**Not Completed**	Through discussions held with clinic personnel, it was noted that STD and TB screening is performed by the registration clerk. The patient's income data and eligibility status for Medicaid benefits is determined and documented. The Registration clerk would determine if a fee should be assessed and document the fee. We judgmentally selected 5 STD and TB patient files for the month of May	All patients are now screened for Medicaid status using the state screening software, TexMedNet. Documentation is maintained in the medical record.

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			1999 and verified that the patient files had documentation of the income. However eight of ten files reviewed did not document the Medicaid eligibility status of the patient.	
97-31 1.	Verify that the new computer system notifies billing staff in the Central Office of a patient's change in eligibility status.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, documentation completed at the clinic and forwarded to the Central Office for data input regarding a patient's change in eligibility status would be disclosed to the Central Office.	With the implementation of the new fee and collection policy, a copy of the service fee form is forwarded to Business Management with this information.
2.	Central Office should develop a process to update patient information in the system and notify the health centers of the Medicaid numbers found during the billing process.	**Not Completed**	The ACCLAIM computer system was not implemented due to the vendor filing for bankruptcy, therefore this process has not been implemented.	Each Health Center has access to the state software TexMedNet. Business Management receives the service fee forms and has implemented an accounts receivable database. Central Office will develop a system that verifies Medicaid numbers as well as current status of Medicaid eligibility.
3.	Manual cards detailing accounts receivable balances due by patient should be maintained at the health centers until the information system is in place.	**Completed**	Through discussions held with clinic personnel, it was noted that accounts receivable balance sheets are maintained in each patient's file and not in a central file. We judgmentally selected 5 Family Planning patient files from each service area and verified that the patient's file contained an accounts receivable summary balance for each visit.	
97-32	Fee slips should be numbered, a daily log	**Completed**	Through discussions held with clinic	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
1.	maintained, and document the medical record number to whom the slip was issued. Reconcile the fee slips issued to the fee slips presented by patients and determine if there are any unaccounted fee slips.		personnel, it was noted that fee slips are manually completed at the time of a transaction. The number generated by the cash register tape is used as the fee slip number. Patients are required to be processed through the cashier before services are rendered. Waivers are granted to the patient's who are unable to pay by the Administrative supervisor and then processed by the Cashier.	
2.	Require cashiers to initial all fee slips. Require that fee slips be manually completed at the time of transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that fee slips are initialed by the cashier. The fee slips are manually completed at the time the transaction is processed.	
3.	The amount of waivers by program should be tracked as a monthly operating statistics. Track the cashier and administrative supervisor approvals for each waiver.	**Completed**	Through discussions held with clinic personnel, it was noted that a summary of waived fees are summarized by program and reported to the Central Office. A review is performed twice daily of all waived fees to ensure that proper approvals have been obtained.	
4.	Ensure all waiver policies are approved by the Department of Health and Human Services Administration.	**Completed**	Through discussions held with clinic personnel, it was noted that waiver policies and procedures were issued and approved by the Health and Human Service Administration.	
5.	Require health care personnel to initial all fee slips for waivers granted prior to the waiver being granted.	**Completed**	Through discussions held with clinic personnel, it was noted that the Administrator Supervisor grants waivers and then the cashier would process the transaction. In the absence of the Administration Supervisor the Program Supervisor or Manager would be authorized to approve waivers.	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
6.	Require that no cash be given to patients or staff from the cash registers outside of cash given in settlement of a payment transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that the cashier does not provide change from the cash drawer. Non-cash transactions are reviewed and sometimes initialed by the Administrative Supervisor on the Z Tape. The non-cash transaction would include the relief of one cashier, if the Administrative Supervisor had a reason to count the cash.	
7.	Ensure all patients are required to have an interview with the eligibility screener to determine income level and governmental fund eligibility, at which time the screener determines the appropriate fee code and documents it in the medical record.	**Completed**	Through discussions held with clinic personnel, it was noted that patients from the Well Child, Maternity, and Family Planning all receive eligibility screening from an eligibility screener. The STD and TB patient's are screened by the registration clerks.	
97-33 1.	Maintain logs detailing the amount of drugs taken from the central pharmacy storage area to the program areas and log drugs dispensed to patients at all health clinics. The two pharmaceutical logs should be maintained and updated consistently.	**Completed**	Through discussions held with clinic personnel, it was noted that there is a log maintained of all medication received from the Central Pharmacy. A log is maintained of all medication dispensed to patients. A reconciliation is performed on an as needed basis between medications received from the Central Pharmacy to medication dispensed to the patients. Each nurse is assigned a locked cabinet that is stocked at established inventory levels. The nurses must account for all medication dispensed. Discrepancies are researched and resolved if possible. If the research does not disclose the discrepancy an incident report is filed and sent to the Central Office.	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
2.	Require a second person at each health center to be responsible for counting items received and verifying the count to the packing slip and requisition. After the count is verified, documents should be initialed and added to the files maintained by the supply clerk. Also, administrators should periodically audit a requisition by checking that no items on the requisition have existing adequate stock levels in the central storage area.	**Completed**	Through discussions held with clinic personnel, it was noted that the person ordering supplies does not also receive such supplies. The supplies received are verified against the packing slip and initialed. All orders are reviewed and approved.	
97-34 1.	Use the ACCLAIM system to decentralize and automate center processes in order to streamline center patient flow, and each center service (i.e., family planning, maternity, etc.) would be assigned its own registration desk.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, both the clinic and Central Office have reviewed the patient flow process to determine where improvements could be made. The Central Office performs a monthly patient flow analysis.	Processes cannot be automated until a New Client Management System is installed in mid to late 2000. A process re-engineering project to stream line manual processing will begin in fall 1999.
2.	Ensure data in existing medical records has been reviewed by center program managers and medical records staff in order to consolidate data requirements where possible.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, the Quality Improvement teams reviewed the forms and made suggestions. The process was dropped when the vendor selected to provide the new system filed for bankruptcy.	Quality Improvement teams are assessing this issue. This area will be addressed with re-engineering projects during the next year.
3.	Consider the use of "electronic pen" technology as an enhancement to proposed center automation which would result in potential reduction of hard-copy documentation to be maintained in patient files.	**Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, both scanners and electronic pens have been discussed as possible technological enhancements to consider for the new system.	

West End Clinic

HOUSTON DEPARTMENT OF HEALTH AND HUMAN SERVICES
WESTEND CLINIC

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
97-30 1.	Performed self-audit of registration form or Implementation of additional system controls	**Completed**	Through discussions held with clinic personnel, it was noted that the Central Office performs self-audits on a periodic basis. The last one was performed in April 1999. The clinic reviews registration forms on a daily basis.	
2.	Review and initial the registration form by the eligibility screener to include residency and income data. Require the screener and patient to initial the income data. Screener should determine and initial the fee code.	**Completed**	Through discussions held with clinic personnel, it was noted that registration personnel review and verify that the residency and income data is recorded on the registration form. If applicable, the fee code is documented. The screener than will initial the entire form. We judgmentally selected 5 patient files from May 1999 for each service area (Well Child, TB, STD and Family Planning), and noted that the patient and eligibility screener signed the completed form. All selected files from the service areas contained the patient's residency, income data, and signature of the eligibility screener and patient.	
3.	Maintain the dental eligibility certification form in the patient's health center record.	**Completed**	Through discussions held with clinic personnel, it was noted that dental eligibility certification is maintained in the patient's medical file. We judgmentally selected 5 dental patient files from May 1999 and verified that the dental eligibility	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			certification form is maintained in the patient's file.	
4.	All health centers use the Prenatal Eligibility Form to document each maternity patient's eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel, it was noted that the result of the TexMedNet is used to document Medicaid eligibility status. Judgmentally selected 5 maternity patients from May 1999 and verified that the eligibility status was documented.	
5.	The Prenatal Screening Record should include documentation as to whether the patient was screened for Title V eligibility and the results of such screening.	**Completed**	Through discussions held with clinic personnel, it was noted that the prenatal eligibility screening results are documented and maintained in the patient's file. Judgmentally selected 5 maternity patient files from May 1999 and verified that the maternity files contained documentation of the results of the Medicaid or Title V eligibility status.	
6.	The Prenatal Screening Record includes a referral to registration for the HCHD Gold Card and the results of the registration process when obtained from the patient.	**Completed**	Through discussions held with clinic personnel, it was noted that the eligibility screening process determines the need to refer a patient for the HCHD Gold Card. The nurse documents the referral and once the Gold Card number is obtained the number is documented in the patient's file.	
7.	Documentation of the patient's Gold Card number included in the patient's file through the use of a standard form could be generated to record this data.	**Completed**	Through discussions held with clinic personnel, it was noted that the Gold Card number is documented on the POPRAS form when applicable.	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			Judgmentally selected 5 maternity patient files from May 1999 and verified that, for all patients that had a Gold Card, that the Gold Card numbers were documented in the maternity patients file. Four of the five files had documented the patient's Gold Card number. The status of one patient's Gold Card was pending.	
8.	Generate a Medicaid eligibility form to include in the EPSDT screening record documenting the Medicaid eligibility screening process.	**Completed**	Through discussions held with clinic personnel, it was noted that there is a form that records the Medicaid eligibility status information. Judgmentally selected 5 Well Child patient files from May 1999 and verified that all of the EPSDT files contained documentation of the results of the eligibility screening.	
9.	Medicaid eligibility form referred to above includes whether patient was screened for Title V eligibility.	**Completed**	Through discussions held with clinic personnel, it was noted that the results of the Title V eligibility status are documented. Judgmentally selected 5 Well Child patient files from May 1999 and verified that all of the EPSDT files contained documentation of the results of the eligibility screening.	

10.	Modifications in scheduling and employee workloads should be considered to ensure all Well Child patients have an eligibility interview.	**Completed**	Through discussions held with clinic personnel, it was noted that lunches are staggered to ensure each Well Child patient is seen by an eligibility screener.	
11.	Interview with eligibility screener required for all patients to determine income and eligibility for Medicaid for all patients in the tuberculosis and sexually transmitted disease programs.	**Not Completed**	Through discussions held with clinic personnel, it was noted that TB and STD patients all receive screening by the registration screener to determine income and Medicaid eligibility status.	STD and TB programs are now screened for Medicaid status using the state screening software, TexMedNet. Documentation is maintained in the patient's medical record.
97-31 1.	Verify that new computer system notifies billing staff in the Central Office of a patient's change in eligibility status.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM System was not implemented. The current paperwork completed and transmitted to the Central Office would notify the office of any changes in the eligibility status.	With the implementation of the new fee and collection policy, a copy of the service fee form is forwarded to Business Management with this information.
2.	A process to update patient information in the system and notify the health centers of the Medicaid numbers found during the billing process should be implemented.	**Not Completed**	The ACCLAIM computer system was not implemented due to the vendor filing for bankruptcy, therefore this process has not been implemented..	Each Health Center has access to the state software TexMedNet. Business Management receives the service fee forms and has implemented an accounts receivable database. Central Office will develop a system that verifies Medicaid numbers as well as current status of Medicaid eligibility.
3.	Manual cards detailing accounts receivable balances due by patient are maintained at the health centers until the information system is in place.	**Partially Completed**	Through discussions held with clinic personnel, it was noted that a central file of accounts receivable information is not maintained. The eligibility screeners review the individual fee sheet balances maintained in the patient's file and request payment of outstanding balances from the patient.	This is addressed in the new fee and collection policy effective 8/1/99. This entails a manual system using the new service fee form for A/R balances that are forwarded to Business Management, a copy in the chart and a copy on file at the center.

			We judgmentally selected 5 Family Planning patient files for review and noted that the files contained the fees assessed, paid, and outstanding accounts receivable balances.	
97-32 1.	Fee slips should be numbered, a daily log maintained, and document the medical record number to whom the slip was issued. Reconcile the fee slips issued to the fee slips presented by patients and determine if there are any unaccounted fee slips.	**Completed**	Through discussions held with clinic personnel, it was noted that manually numbered fee slips are used. A daily log is maintained of the fee slips. A reconciliation is performed each day between the fees received and fee slips issued with any variances being researched.	
2.	Require cashiers to initial all fee slips and that all fee fees slips are manually completed at the time of transaction.	**Completed**	Through discussions held with clinic personnel, it was noted that the cash register operator is required to initial fee slips and fee slips are to be completed at the time of the transaction. This procedure has been in place for approximately one week.	
3.	The amount of waivers by program should be tracked as a monthly operating statistic along with the cashier and administrative supervisor involved in the approval process of each waiver.	**Not Completed**	Through discussions held with clinic personnel, it was noted that a log is maintained for each program. The Administrative supervisor reviews waivers weekly to ensure proper approvals.	The implementation of the new fee and collection policy allows partial payment. Fees will no longer be waived. A report on the amount of partial payment reductions is generated from the forms that are sent to Business Management.
4.	Ensure all waiver policies are approved by the Department of Health and Human Services Administration.	**Completed**	Through discussions held with clinic personnel, it was noted that manuals with the approved policies and procedures are issued by the Department of Health and Human Services Administrator.	

5.	Require health care personnel to initial all fee slips for waivers granted prior to the waiver being granted.	**Not Completed**	Through discussions held with clinic personnel, it was noted that a review of all waivers is performed. The Administrative supervisor reviews the waivers on a weekly basis to determine reasonableness.	This is added in the new fee and collection policy. Administrative designee must approve all partial payments.
6.	Require that no cash be given to patients or staff from the cash registers outside of cash given in settlement of a payment transaction.	**Not Completed**	The cashier will make change from the cash drawer to patients and staff. The non-transactions are documented to explain the cash register receipt. A fee slip documents the non-transaction and is attached to the cash register receipt.	This area is assessed as part of the QI process to ensure that the current procedures, which prohibit this practice, are followed. This policy will be addressed with individual sites out of compliance.
7.	Ensure all patients are required to have an interview with the eligibility screener to determine income level and governmental fund eligibility, at which time the screener determines the appropriate fee code and documents it in the medical record.	**Completed**	Through discussions held with clinic personnel, it was noted that eligibility screening is performed before services are rendered. Fee code is determined and noted in a form that is maintained in the medical record.	
97-33 1.	Maintain logs detailing the amount of drugs taken from the central pharmacy storage area to the program areas and log drugs dispensed to patients at all health clinics. The two pharmaceutical logs should be maintained and updated consistently.	**Completed**	Through discussions held with clinic personnel, it was noted that a log is maintained of the medication received from Central Pharmacy. A log is also maintained of the medication dispensed to patients. Restocking levels have been established and inventory is ordered on a weekly basis. The Nursing Coordinator has control of the key to the medication storage area. A reconciliation is performed of the medication dispensed to the patient plus the inventory on hand to the amount	

			received from the Central Pharmacy. Central Pharmacy is sent the results of the reconciliation weekly.	
2.	Require a second person at each health center to be responsible for counting items received and verifying that count against the packing slip and requisition. After count is verified, documents should be initialed and added to the files maintained by the supply clerk. Also, administrators periodically audit a requisition by checking that no items on the requisition have adequate stock levels in the central storage area.	**Completed**	Through discussions held with clinic personnel, it was noted that the individual who orders supplies is not the same individual who receives the supplies. The Administrative supervisor also reviews the orders and spot checks some of the items requested before the requisition is approved.	
97-34 1.	Use the ACCLAIM system to decentralize and automate center processes in order to streamline center patient flow, and each center service (i.e., family planning, maternity, etc.) would be assigned its own registration desk.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, both the clinic and Central Office have reviewed the patient flow process to determine where improvements could be made. The Central Office performs a monthly patient flow analysis	Processes cannot be automated until a New Clinic Management System is installed in mid to late 2000. A process re-engineering project to stream line manual processing will begin in fall 1999.
2.	Ensure data in existing medical records has been reviewed by center program managers and medical records staff in order to consolidate data requirements where possible.	**Not Completed**	Quality Improvement Team started this process but it was interrupted when the selected vendor declared bankruptcy. Donna Travis was not sure if any of the suggestions made by the Quality Improvement team had been implemented.	Quality Improvement Teams are assessing this issue. This area will be addressed with re-engineering projects during the next year.
3.	Consider the use of "electronic pen" technology as an enhancement to proposed center automation which would result in potential reduction of hard-copy documentation maintained in patient files.	**Completed**	Through discussions held with clinic personnel, it was noted that discussion have included purchasing technology enchanted devices.	

Southwest Clinic

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
97-30 1.	Perform a self-audit of registration forms or Implementation of additional system controls.	**Completed**	Through discussions held with clinic personnel, it was noted that a daily review is performed to ensure the registration forms are properly completed. The clinic provides a class to the patients with instruction on the proper completion of the registration forms. The classes have helped the documentation of the patient's information. Classes are held daily and are targeted for a specific type of patient (i.e., Well Child, Maternity, or Immunization).	
2.	Review and initial the registration form by the eligibility screener. Require that income data and residency information be recorded for each patient. Require the screener and patient to initial the income data. Screener should determine and initial the fee code.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the registration class also documents a patient's eligibility for Medicaid or Title V. The eligibility screener does not initial the forms, but fee code is determined and documented at this time. We judgmentally selected 5 patient files from May 1999 for Well Child and Maternity and noted that the patient and eligibility screener signed the completed form. All selected files from the service areas contained the patient's residency, income data, and signature of the eligibility screener and patient.	Southwest clinic is a subcontractor of the City of Houston (C 37949) and does not operate under the City of Houston financial structure. However, no response is needed, according to the auditing work performed (through Chart review) this practice is being performed.
3.	Maintain the dental eligibility certification form in the patient's health center record.	**Not Applicable**	Not applicable as dental services are not offered at this clinic.	

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
4.	Require health centers to use the Prenatal Eligibility Form to document each maternity patient's eligibility for Medicaid.	**Completed**	Through discussions held with clinic personnel, it was noted that the TexMedNet system is accessed and the patient's file are documented. Over 90% of the patients at this clinic would not be eligible for Medicaid, however, the majority are eligible for Title V coverage. We judgmentally selected 5 maternity patient files for the month of May 1999 and verified that the patient was screened for Medicaid eligibility.	
5.	The Prenatal Screening Record should include documentation as to whether the patient was screened for Title V eligibility and the results of such screening.	**Completed**	Through discussions held with clinic personnel, it was noted that only maternity patients are screened for Title V eligibility. We judgmentally selected 5 maternity patient files for the month of May 1999 and verified that four of the five selected files contained proper documentation of the patient's Title V eligibility status. One patient's file had not been properly documented.	
6.	Eligibility screeners should document the HCHD Card referral eligibility process for maternity patients.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the HCHD card referral process is only documented if a patient is referred for a particular reason i.e., ultra sound or triple screening. If the patient has a Gold Card number it is documented on the POPRAS form. The discussion of the referral to obtain the Gold Card	Same as above. However, referral to HCHD for Gold Card is only completed if referred for a particular reason, i.e. High Risk, STD, etc., not maternity.

AUDIT NO./ FINDING #	RECOMMENDATION	ACTION STATUS	WORK PERFORMED	HDHHS RESPONSES
			should be documented by the clinic. Judgmentally selected 5 maternity patient files for the month of May 1999 to verify that the patient file had documented the referral for the HCHD Card eligibility process. It was noted that none of the files selected contained documentation related to the HCHD referral process.	
7.	Documentation of the patient's Gold Card number should be included in the patient's file. Create a standard form to record this data.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the Gold Card number is documented on the patient's POPRAS form when the patient obtains the Gold Card number. These discussions regarding the HCHD Gold Card referral are not currently being documented. A review of 5 patient files disclosed that none of the patient's files had documented a Gold Card number.	Same as above. However, the Gold Card number is documented if the patient has one. Otherwise no number is documented.
8.	Generate a Medicaid eligibility form to include in the EPSDT screening record which would document the Medicaid eligibility screening process.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the Well Child patients go through the registration class to ensure the proper completion of the resignation forms and eligibility status of patients. Judgmentally selected 5 Well Child patient files for the month of May 1999 and verified that the patient's file had documentation of the Medicaid eligibility status None of the patient's	Same as above. However, the Southwest Clinic does not receive Title V funds. Therefore, this eligibility criterion is not part of the screening process.

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			files documented the Medicaid or Title V eligibility status results.	
9.	Medicaid eligibility form referred to above should include whether the patient was screened for Title V eligibility.	**Not Completed**	Through discussions held with clinic personnel, it was noted that this information is not documented at this time. We suggested that Central Office personnel be contacted to determine if Title V and Title XX should be included in the eligibility screening process. Judgmentally selected 5 Well Child patient files for the month of May 1999 and verified that none of the patient files contained documentation of the Title V eligibility status if the patient was not eligible for Medicaid.	Same as above, However, the Southwest Clinic does not receive Title V funds. Therefore, this eligibility criterion is not part of the screening process.
10.	Modifications in scheduling and employee workloads should be considered to ensure all Well Child patients have an eligibility interview.	**Completed**	Through discussions held with clinic personnel, it was noted that registration classes are conducted to ensure that all Well Child patients are interviewed. The Well Child eligibility is documented for each patient.	
11.	An interview with an eligibility screener for STD and TB programs should be required to determine the patient's income and status of eligibility for Medicaid.	**Not Applicable**	Not applicable – SDT and TB services are not offered at this clinic. The clinic performs a TB screening skin test. The patient would be referred to another clinic for TB treatment.	
97-31 1.	Verify that the new computer system notifies billing staff in the Central Office of a patient's change in eligibility status.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, documentation completed at the clinic and forwarded to the Central Office for data input	Same as above. Southwest Clinic has its own billing system.

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			regarding a patient's change in eligibility status would be disclosed to the Central Office.	
2.	Central Office should develop a process to update patient information in the system and notify the health centers of the Medicaid numbers found during the billing process.	**Not Applicable**	Not applicable – The system used by the Southwest clinic would be responsible for detecting this type of problem. The City of Houston reimburses the clinic a fixed amount based on the number of patients seen by the clinic. If there are patients eligible for Medicaid funds and the clinic does not request reimbursement the loss would be borne by the Sisters of Charity.	
3.	Manual cards detailing accounts receivable balances due by patient should be maintained at the health centers until the information system is in place.	**Not Applicable**	Not applicable – this health clinic is not responsible for processing any accounts receivable balances generated at the clinic.	
97-32 1.	Fee slips should be numbered, a daily log maintained, and document the medical record number to whom the slip was issued. Reconcile the fee slips issued to the fee slips presented by patients and determine if there are any unaccounted fee slips.	**Completed**	Through discussions held with clinic personnel, it was noted that fee slips are manually numbered. A daily log is maintained through the use of the sign in sheets. A reconciliation is performed between the fee slips issued and the cashier receipt. The patient flow ensures the patient is routed through the cashier before services are rendered.	
2.	Require cashiers to initial all fee slips. Require that fee slips be manually completed at the time of transaction.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the cashier does not initial all fee slips. The fee slips are manually completed at the time the transaction is performed.	Same as above. However, fee slips are not used for the Southwest Clinic, a cash receipt is generated at time of payment

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3.	The amount of waivers by program should be tracked as a monthly operating statistics. Track the cashier and administrative supervisor approvals for each waiver.	**Completed**	Through discussions held with clinic personnel, it was noted that waivers are tracked. The Administrative Supervisor reviews the waivers on a weekly basis.	
4.	Ensure all waiver policies are approved by the Department of Health and Human Services Administration.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the clinic does not have a written policy and procedure for waivers. The Department of Health and Human Services Administration has not approved this policy and procedure, but clinic has not obtained documentation.	Same as above. However, a wavier policy will be written for the Southwest Clinic by the Southwest Clinic.
5.	Require health care personnel to initial all fee slips for waivers granted prior to the waiver being granted.	**Completed**	Through discussions held with clinic personnel, it was noted that waivers are reviewed before the waiver is granted. The waivers are reviewed weekly. The waivers are tracked and broken out by service area.	
6.	Require that no cash be given to patients or staff from the cash registers outside of cash given in settlement of a payment transaction.	**Not Completed**	Through discussions held with clinic personnel, it was noted that sometimes the cashier would make change from the cash drawer. The receipt number is not maintained. We suggested the cashier receipt number be maintained and that supporting documentation be required for all non-service transactions.	Same as above. However, this area is no longer a problem at the Southwest Clinic.
7.	Ensure all patients are required to have an interview with the eligibility screener to determine income level and governmental fund eligibility, at which time the screener determines the	**Completed**	Through discussions held with clinic personnel, it was noted that the patient's income level and the governmental fund eligibility is accomplished through the registration class.	

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	appropriate fee code and documents it in the medical record.			
97-33 1.	Maintain logs detailing the amount of drugs taken from the central pharmacy storage area to the program areas and log drugs dispensed to patients at all health clinics. The two pharmaceutical logs should be maintained and updated consistently.	**Completed**	Through discussions held with clinic personnel, it was noted that the medication received from the Central Pharmacy are maintained. Logs of medication dispensed to patients are maintained. A reconciliation between the two logs is performed on a monthly basis.	
2.	Require a second person at each health center to be responsible for counting items received and verifying that count against the packing slip and requisition. After count is verified, documents should be initialed and added to the files maintained by the supply clerk. Also, administrators periodically audit a requisition by checking that no items on the requisition have adequate stock levels in the central storage area.	**Completed**	The same person who requests the supplies does not receive the supplies. The employee who receives the supplies performs a count and initials the packing slip before filing the packing slip. The Administrative supervisor reviews all orders. Southwest clinic does not order supplies through the City of Houston.	
97-34 1.	Use the ACCLAIM system to decentralize and automate center processes in order to streamline center patient flow, and each center service (i.e., family planning, maternity, etc.) would be assigned its own registration desk.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAM system was not implemented. The patient flows are reviewed for both time and efficiency. A circular flow of the patient's progress through the health clinic is the goal. Clinic personnel stated that they believed there was room	Same as above. This clinic is not on the ACCLAIM system and re-engineering of the center is under way with the new management.

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			for efficiencies in this area. There are ongoing meetings scheduled to discuss the issue.	
2.	Ensure data in existing medical records has been reviewed by central program managers and medical records staff in order to consolidate data requirements where possible.	**Not Completed**	Through discussions held with clinic personnel, it was noted that the clinic was not aware of any activity or changes in this area.	Same as above. With re-engineering, this will be looked at further.
3.	Consider the use of "electronic pen" technology as an enhancement to proposed center automation which would result in potential reduction of hard-copy documentation maintained in patient files.	**Completed**	Through discussions held with clinic personnel, it was noted that the ACCLAIM system was not implemented. However, both scanners and electronic pens have been discussed as possible technological enhancements to consider for the new system. Management was not aware of any final decisions related to this issue..	