



Michigan  
Office of the Auditor General  
**REPORT SUMMARY**

*Performance Audit*

*Community Health Automated Medicaid Processing System (CHAMPS) Security and Access Controls  
Department of Community Health (DCH) and Department of Technology, Management, and Budget (DTMB)*

Report Number:  
391-0591-13

Released:  
October 2013

*CHAMPS is an automated information system that was implemented by DCH and DTMB in October 2009 for the processing of Medicaid claims and payments. CHAMPS provides contract management and payment processing for managed care services, behavioral health services, inpatient hospital services, outpatient hospital services, physician services, maternity services, mental health care, and community-based care home services.*

**Audit Objective:**

To assess the effectiveness of DTMB's efforts to implement security and access controls over CHAMPS operating systems.

**Audit Conclusion:**

DTMB's efforts to implement security and access controls over CHAMPS operating systems were moderately effective. We noted one reportable condition (Finding 1).

**Reportable Condition:**

DTMB had not fully established effective security and access controls for the operating system of servers containing CHAMPS data and application files (Finding 1).

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**Audit Objective:**

To assess the effectiveness of DCH's efforts to implement security and access controls over CHAMPS database management systems.

**Audit Conclusion:**

DCH's efforts to implement security and access controls over CHAMPS database management systems were moderately effective. We noted one reportable condition (Finding 2).

**Reportable Condition:**

DCH had not fully established effective security and access controls over CHAMPS databases (Finding 2).

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**Audit Objective:**

To assess the effectiveness of DCH's efforts to implement controls over CHAMPS claims processing edits.

**Audit Conclusion:**

DCH's efforts to implement controls over CHAMPS claims processing edits were moderately effective. We noted one reportable condition (Finding 3).

**Reportable Condition:**

DCH did not limit the ability of CHAMPS users to modify the disposition of edits for Medicaid claims processing (Finding 3).

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**Agency Response:**

Our audit report contains 3 findings and 3 corresponding recommendations. DCH and DTMB's preliminary response indicates that they agree with all of the recommendations.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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