



STATE OF MICHIGAN
DEPARTMENT OF CORRECTIONS
LANSING

RICK SNYDER
GOVERNOR

HEIDI E. WASHINGTON
DIRECTOR

October 19, 2015

Jeffrey S. Bankowski, Chief Internal Auditor
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, MI 48913

Dear Mr. Bankowski:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary table identifying our responses and a corrective action plan to address the recommendations contained within the Office of the Auditor General's performance audit of the Prisoner Medical, Dental, and Optical Services covering the period October 1, 2011 through April 30, 2014.

Please direct questions regarding the summary table or corrective action plans to Julie Hamp at (517) 335-6886.

Sincerely,

Signature Redacted

Heidi E. Washington, Director

HW/22/cm

c: Executive Office
Office of the Auditor General
House Fiscal Agency
Senate Fiscal Agency
House Appropriations Sub-Committee on Corrections
Senate Appropriations Sub-Committee on Judiciary and Corrections
House Judiciary Committee
Senate Judiciary Committee
L. Gulick
J. Hamp
C. MacKenzie
J. Sheldon
J. Sherry
M. Sherry

**Responses to Office of the Auditor General's Performance Audit of
Prisoner Medical, Dental, and Optical Services**

Summary Table	
Audit recommendations the agency complied with: None	
Audit recommendations the agency will comply with:	
	Expected Compliance Date
1. Improvements needed for timely completion and consistent documentation of chronic care condition medical assessments	October 2016
2. Inconsistently charging copayments	June 2016
3. Improvements needed over monitoring performance of the managed health care vendor	January 2016
4. Improvements needed to verify the accuracy and validity of off-site service charges	December 2015
5. User access controls over the EMR system need improvement	October 2016

Corrective Action Plan

1. Improvements Needed for Timely Completion and Consistent Documentation of Chronic Care Condition Medical Assessments

The auditors recommended that DOC improve its processes to ensure timely completion of all chronic care condition medical assessments. The auditors also recommended that DOC ensure that medical providers consistently document medical assessments for prisoners with chronic care conditions.

Agency Preliminary Response

DOC agrees with the recommendations and has taken steps to comply. DOC implemented a chronic care project in the Southern region facilities that focused on appropriately scheduling chronic care patients according to their level of control, defining and training providers on the documentation needed for chronic care patients, illustrating the role of nursing in the chronic care process, and showing staff how to utilize some existing scheduling reports available in the EMR system to monitor and track chronic care patients. This project has been completed along with exception reporting. The workgroup is looking at how to implement lessons learned from the project on a Statewide basis.

DOC formed a clinical workgroup that is evaluating the current chronic care timeframes and level of control guidelines that are part of the managed care contract. This workgroup is evaluating whether there is a need to change those guidelines and will develop a communication plan so that the information regarding chronic care treatment is disseminated to DOC staff and contracted medical providers.

2. Inconsistently Charging Copayments

The auditors again recommended that DOC consistently charge prisoner copayments relating to medical, dental, and optical services.

Agency Preliminary Response

DOC agrees with the recommendation and has taken steps to comply. DOC issued a memorandum to appropriate staff to clarify requirements concerning dental visits and also plans to send a memorandum to health care staff in September 2015 reiterating the requirements contained in the Prisoner Health Care Copayment Policy Directive 3.04.101. In addition, DOC has drafted an audit tool. Audits to ensure that staff consistently charged copayments will take place in November 2015 and May 2016. Facilities found noncompliant will receive further instruction from the Assistant Health Service Administrators. Facilities that fell below a certain compliance threshold will also be re-audited three months after the initial audit.

3. Improvements Needed over Monitoring Performance of the Managed Health Care Vendor

The auditors recommended that DOC monitor the managed health care vendor's compliance with SLA performance requirements timely.

Agency Preliminary Response

DOC agrees with the recommendation and has taken steps to comply.

DOC has simplified the current audit tools to make it easier and more efficient for the audit team to collect data for each of the SLAs. The new audit team has completed the field work using the simplified audit tool for contract year (CY) 4 and 5. DOC staff are reviewing the data and preparing a draft report that will be shared with the vendor. Additionally, DOC has developed a tracking system to track the status of reviews, communications with the vendor, and corrective action plan dates so that this can be monitored as part of the regular contract meetings with the vendor. Data collection for CY 6 1st quarter will begin in October 2015. All audits will be completed and up to date by January 2016.

DOC also feels it is important to note that it has restructured SLA audits within a current Request for Proposal to improve monitoring of contractor performance. The SLAs will list Key Performance Indicators that will be assessed to ensure that service goals drive continuous improvement and efficiency.

4. Improvements Needed to Verify the Accuracy and Validity of Off-Site Service Charges

The auditors recommended that DOC improve its process to verify the accuracy and validity of the prisoner health care costs for off-site services charged by the managed health care vendor.

Agency Preliminary Response

DOC agrees with the recommendation and has been working with the managed health care vendor to review all off-site service charges for the entire contract period to ensure the accuracy of those charges. The vendor is recouping monies that were paid for invalid prisoner health care charges.

DOC, DTMB, and the vendor continue to review and test the daily census file so that the vendor can validate their off-site claims to ensure the accuracy of claim payments. In addition, the Bureau of Fiscal Management is working with DOC's Research Division to develop a process to verify the accuracy and validity of the vendor's charges by sampling off-site claims to ensure that claims were not paid for prisoners who were no longer under the jurisdiction of DOC.

Additionally, DOC strengthened the language related to claims payment and processing in the new Request for Proposal covering health care services.

5. User Access Controls over the EMR System Need Improvement

The auditors recommended that DOC improve its user access controls over the EMR system.

Agency Preliminary Response

DOC agrees with the recommendation and will comply. DOC had a process in place to disable user access for departed or transferred employees. Upon receiving a deactivation request CHJ-629 from an EMR system authorized requestor, the Healthcare-support team would disable the account and also notify DTMB to delete the user's active directory. Upon completion, the Healthcare-support team would notify the authorized requestor that the deactivation request was complete.

DOC has reminded authorized requestors to ensure they are completing the forms to inactivate users. DOC is also finalizing a process to conduct periodic audits of departed employee user access.

DOC is working with DTMB staff to disable inactive accounts after 120 days and to establish a method to monitor the activities of EMR Power Administrators.