



STATE OF MICHIGAN

DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

RICK SNYDER
GOVERNOR

NICK LYON
DIRECTOR

February 22, 2018

Rick Lowe, Chief Internal Auditor
Office of Internal Audit Services
George W. Romney Building
111 South Capitol, 8th Floor
Lansing, Michigan 48913

Dear Mr. Lowe:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached are the summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's Performance Audit of Walter P. Reuther Psychiatric Hospital.

Questions regarding the summary table or corrective action plans should be directed to me at 517-373-1508 or MyersP3@michigan.gov.

Sincerely,

A handwritten signature in black ink that reads "Pam Myers".

Pam Myers, Director
Bureau of Audit, Reimbursement, and Quality Assurance

PM:kk

Enclosure

c: Office of the Auditor General
House Fiscal Agency
Senate Fiscal Agency
Executive Office
DHHS, Nick Lyon
DHHS, Nancy Vreibel
DHHS, Lynda Zeller

House Appropriations Committee
House Standing Committee
Senate Appropriations Committee
Senate Standing Committee
DHHS, Farah Hanley
DHHS, Geralyn Lasher
DHHS, Karla Ruest

PERFORMANCE AUDIT OF
WALTER P. REUTHER PSYCHIATRIC HOSPITAL

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FEBRUARY 22, 2018

AUDIT RESPONSE

Approved: _____

Farah A. Hanley

Farah A. Hanley, Senior Deputy Director
Department of Health and Human Services

Date: _____

2/22/18



AUDIT REPORT SUMMARY

DEPARTMENT: Health and Human Services
AUDIT PERIOD: October 1, 2013 through February 28, 2017
REPORT DATED: November 14, 2017

DISPOSITION OF AUDIT RECOMMENDATIONS

<u>CITATIONS COMPLIED WITH</u>	<u>CITATIONS TO BE COMPLIED WITH</u>	<u>CITATIONS DHHS DID NOT AGREE WITH</u>
	Finding 1 (Feb 2018)	
	Finding 2 (March 2018)	
Finding 3		
	Finding 4 (TBD)	
	Finding 5 (March 2018)	
	Finding 6 (Feb 2018)	
	Finding 7 (March 2018)	

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Performance Audit
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Recommendation 1: WRPB should track and minimize direct care nursing overtime.

The OAG recommended that WRPB develop a methodology for tracking direct care nursing staff hours to identify individuals who are working significant overtime and implement strategies to mitigate overtime.

Response:

All data from April 2017 to November 2017 is currently being analyzed. Trends and patterns will be identified to help determine if any additional strategies can be used to reduce the number of overtime hours needed to operate. This analysis is expected to be completed by February 2018. In the interim, WRPB has posted twenty-seven Resident Care Aide positions and started scheduling interviews in January 2018. Eight Resident Care Aide positions are being back-filled and an additional nineteen new Resident Care Aides are anticipated to be hired. Seven LPN's were offered positions in December 2017 and five additional RN's were hired between September and November 2017. WRPB also purchased time clocks for selected areas within the hospital to enhance tracking capabilities. Ongoing discussions to help mitigate overtime are occurring to discuss various topics such as; the consideration of new staffing options, one of which is the use of permanent intermittent staff. Finally, reports are also being developed in SIGMA to aid in the analysis of overtime use.

Recommendation 2: Improved controls over admissions process needed

The OAG recommended that WRPB improve the completion and documentation of its admission activities.

Response:

Standard Operating Procedure 222 Admission to Hospital and Standard Operating Procedure 261 Individualized Plan of Service have been revised. The revisions will assist in ensuring that consents for treatment are obtained at time of admission with a follow up plan if the patient does not or cannot consent. The policy revisions more clearly identify the role of each staff person in this process.

WRPB has also added an indicator to our quarterly open chart reviews that will enable staff to randomly check new admissions on a quarterly basis to ensure it is being completed and raise an alert if a problem is developing.

Finally, the requirement to complete an annual internal audit on the physician certification process will be added to the hospital Compliance and Performance Improvement Plan. WRPB has an expected completion date of March 2018.

Recommendation 3: Access controls over the electronic medical record system need improvement

The OAG recommended that WRPB improve its controls over the electronic medical record system to help prevent and detect inappropriate access.

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Response:

WRPH has verified that only active employees have access to the electronic medical record for work related purposes. A process was put in place in May 2017 to notify the facility system administrator when an employee is terminated from employment to ensure medical record access permissions are removed. This process is in place and working properly.

Recommendation 4: Controls over keys needed

The OAG recommended that WRPH establish effective controls over its keys.

Response:

WRPH has taken multiple steps to establish effective controls over its keys:

- Entrance door cores were changed and all employees were issued new hospital keys in November 2017.
- In November 2017, a new protocol was put in place to obtain loaner keys that requires the individual to submit a State ID or a driver's license to obtain keys for temporary use. Identification cannot be returned to the individual until keys are returned.
- One hundred six sets of obsolete keys were destroyed in December 2017.
- A spreadsheet list has been developed for use as a key control and inventory document. The spreadsheet list contains the staff person's name, key assignment and change date. The spreadsheet is updated as employees on-board and terminate employment. The spreadsheet list is housed on the shared drive with read only access by all staff and read/write access for safety staff and the safety secretary.

In addition, the hospital is working to secure funding to replace the entrance doors and implement a badging system.

Recommendation 5: Enhancements needed over safety and security activities

The OAG recommended that WRPH improve its safety and security procedures.

Response:

- a.) Standard Operating Procedures and Emergency Management Plans will be revised and put through the hospital approval process to ensure hospital practices match written protocols. WRPH has an expected completion date of March 2018.
- b.) The process of updating and distributing weekly equipment and non-ambulatory lists has resumed. A responsible staff person has been identified to carry out this task each week. The Emergency Management Plan that outlines this requirement is being reviewed to determine if this requirement continues to be necessary. WRPH has an expected completion date of February 2018.

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- c.) Human Resources maintains a list of all employees' personal phone numbers. That list is forwarded each month by an identified staff person to the Administrative Secretary who updates the Emergency contacts as needed based on changes in staff or position responsibilities. The updated list is then distributed to the Director's Office, Administrative Officer's Office, The Clinical Affairs Office and the Safety Office. This process has been communicated to all affected staff and is operational. The Emergency Management Plan is being revised to reflect current practices and will go through WRPB's internal approval process. WRPB has an expected completion date of March 2018.
- d.) A plan to replace front and rear entry doors was included as a capital investment expenditure in the budget that has been submitted. WRPB is waiting for approval to move forward with implementation. WRPB has an expected completion date of March 2018.
- e.) Staff authorized to use rear entry doors was determined and this was communicated to staff via hospital wide email and the Safety Department initiated random security bag checks in November 2017. A record of searches is maintained in the Safety Office.
- f.) In November 2017, a new protocol was put in place to obtain loaner keys that requires the individual to submit State ID or driver's license to obtain keys for temporary use. Identification cannot be returned to individual until keys are returned. A spreadsheet list has been developed for use as a key control and inventory document. The spreadsheet list contains the staff person's name, key assignment and change date. The spreadsheet is updated as employees on-board and terminate employment. The database is housed on the shared drive with read only access by all staff and read/write access for Safety staff and Safety Secretary.

Recommendation 6: Improved controls needed over staff training

The OAG recommended that WRPB implement controls to ensure that its employees complete all required training.

Response:

WRPB's Training Committee was re-instituted in January 2018. Supervision of the Training Department was re-assigned to an Assistant Director of Nursing in December 2017. As of January 2018 all completed training has been logged into the tracking software. A group of staff has been tasked with reviewing and revising the Training Standard Operating Procedure due to staffing and process changes in the training department. WRPB has an expected completion date of February 2018.

Recommendation 7: Controls over high-risk noncontrolled medications need improvement

The OAG recommended that WRPB establish adequate controls over its high-risk noncontrolled medications.

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Response:

MDHHS has purchased new prescribing, dispensing and administration software. The Director of the Bureau of Hospitals & Administrative Operations is working with DTMB to identify installation dates and prioritize the implementation of the software at WRP. When this software is installed and implemented, it will have the inventory component that is needed. The system functionality will improve the internal controls over all substances both controlled and uncontrolled.