

Office of the Auditor General
Performance Audit Report

**Women's Huron Valley Correctional Facility -
Medical, Dental, and Optical Services**
Michigan Department of Corrections

June 2020

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The auditor general may make investigations pertinent to the conduct of audits.

Article IV, Section 53 of the Michigan Constitution



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Report Summary

Performance Audit

Women's Huron Valley Correctional Facility - Medical, Dental, and Optical Services Michigan Department of Corrections (MDOC)

Report Number:
471-0301-19

Released:
June 2020

The Women's Huron Valley Correctional Facility is the only MDOC prison that houses female prisoners. MDOC's Bureau of Health Care Services (BHCS) coordinates the medical, dental, and optical services for more than 2,000 prisoners housed at the Facility. These services are provided through an outpatient clinic operated at the Facility and through a managed healthcare system for off-site services. MDOC expended \$30.7 million for medical, dental, and optical services from January 1, 2017 through May 31, 2019, an average annual cost of \$5,954 per prisoner.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of BHCS's efforts to provide medical, dental, and optical services.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
BHCS conducted 28.1% of the chronic care condition healthcare assessments late, ranging from 1 to 375 days late. BHCS may have jeopardized its ability to manage and treat potentially serious medical conditions before they became more severe and costly (Finding #1).	X		Partially agrees
BHCS did not complete 19.7% of the required annual healthcare screenings and completed 13.2% from 6 to 68 days late. Annual screenings may help ensure early detection and referral for treatment of health conditions and diseases (Finding #2).		X	Agrees
BHCS did not triage at least 28.1% of the prisoner-initiated healthcare requests in a timely manner, which may have led to delayed prisoner care (Finding #3).		X	Agrees
MDOC did not charge prisoner copayments for 54.5% of nonemergency prisoner-initiated healthcare services, which could foster unwarranted healthcare requests, creating unnecessary work for healthcare staff and unnecessary healthcare costs (Finding #4).		X	Partially agrees

Audit Objective		Conclusion	
Objective #2: To assess the effectiveness of MDOC's efforts to monitor its healthcare vendor's compliance with select facility-level contract requirements.		Effective	
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable.	

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Doug A. Ringler, CPA, CIA
Auditor General

June 17, 2020

Ms. Heidi E. Washington, Director
Michigan Department of Corrections
Grandview Plaza Building
Lansing, Michigan

Dear Ms. Washington:

This is our performance audit report on the Women's Huron Valley Correctional Facility - Medical, Dental, and Optical Services, Michigan Department of Corrections.

We organize our findings and observations by audit objective. Your agency provided preliminary responses to the recommendations at the end of our fieldwork. The *Michigan Compiled Laws* and administrative procedures require an audited agency to develop a plan to comply with the recommendations and to submit it to the State Budget Office upon completion of an audit. Within 30 days of receipt, the Office of Internal Audit Services, State Budget Office, is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

We appreciate the courtesy and cooperation extended to us during this audit.

Sincerely,

Doug Ringler
Auditor General

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AUDIT OBJECTIVES, CONCLUSIONS, FINDINGS, AND OBSERVATIONS

PROVIDING MEDICAL, DENTAL, AND OPTICAL SERVICES

BACKGROUND

The Michigan Department of Corrections' (MDOC's) Bureau of Health Care Services (BHCS) coordinated the medical, dental, and optical services for nearly 4,000 prisoners incarcerated at the Women's Huron Valley Correctional Facility from January 1, 2017 through May 31, 2019. These services were provided through an outpatient clinic operated at the Facility and through a managed healthcare system for off-site services.

Approximately 1,300 prisoners, 33% of the nearly 4,000 prisoners incarcerated at the Facility from January 1, 2017 through May 31, 2019, were diagnosed with at least one chronic care condition*. Chronic care conditions included hypertension*, hyperlipidemia*, diabetes*, asthma*, hypothyroidism*, HIV*, and seizures/convulsions.

MDOC's health services policy requires that all prisoners have access to health services and allows prisoners to request those services through the submission of a healthcare request form. We estimated that the Facility's prisoners initiated over 18,000 requests for healthcare services from January 1, 2017 through May 31, 2019, or approximately 630 per month.

AUDIT OBJECTIVE

To assess the effectiveness* of BHCS's efforts to provide medical, dental, and optical services.

CONCLUSION

Moderately effective.

FACTORS IMPACTING CONCLUSION

- BHCS completed healthcare screenings required upon intake in a timely manner.
- Of the 40 pregnant prisoners that we reviewed, 39 (98%) were seen by the obstetrician at the Facility within one week of intake and all prenatal and postnatal appointments were provided in a timely manner. The remaining prisoner was seen by the obstetrician and provided with prenatal vitamins 19 days after arriving at the Facility, received all other prenatal and postnatal appointments on time, and delivered without complication.
- BHCS properly approved off-site healthcare services and ensured that prisoners were provided the appropriate medication and follow-up care, based on the off-site medical providers' orders, upon return to the Facility.

* See glossary at end of report for definition.

- BHCS provided scabies medication to all prisoners at the facility during January and February 2019, based on our samples of prisoners diagnosed with scabies and of all prisoners incarcerated at the time.
- Material condition* related to improving the timeliness of providing chronic care condition healthcare assessments (Finding #1).
- Reportable conditions* related to:
 - Not properly providing required annual healthcare screenings (Finding #2).
 - Not responding to prisoner-initiated healthcare requests in a timely manner (Finding #3).
 - Not consistently charging prisoner copayments (Finding #4).

* See glossary at end of report for definition.

FINDING #1

Improvements needed to complete timely chronic care condition healthcare assessments.

28.1% of chronic care condition healthcare assessments not completed in a timely manner.

BHCS did not ensure that all chronic care condition healthcare assessments were conducted in a timely manner. BHCS may have jeopardized its ability to manage and treat potentially serious medical conditions before they became more severe and costly.

MDOC policy directive 03.04.100 requires that healthcare services be provided to prisoners with chronic care conditions in accordance with MDOC chronic care guidelines. These guidelines require that medical providers assess prisoners with chronic care conditions every month, three months, or six months depending on whether their last assessed degree of control was poor, fair, or good, respectively.

We reviewed the electronic medical records (EMR) for 59 prisoners who were required to have a total of 203 chronic care condition healthcare assessments from January 1, 2017 through May 31, 2019. We noted that BHCS did not complete 57 (28.1%) of these assessments (37 unique prisoners) in a timely manner, ranging from 1 to 198 days late, and averaging 42 days late, not including 1 assessment that was completed 375 days late. We also noted that 27 (47.4%) of the 57 untimely assessments related to prisoners whose most recent chronic condition assessment was either poor or fair.

We verified that 7 (18.9%) of the 37 prisoners were seen by a medical provider for an unrelated issue between 9 of their 12 untimely chronic care healthcare assessments. However, the EMR did not include documentation to support that the chronic condition was assessed at those appointments.

BHCS indicated that it reviews the prisoner chronic care condition monitoring report to ensure that assessments are completed in a timely manner. However, our comparison of the monitoring report from January 1, 2017 through May 31, 2019 with an EMR report of the 1,329 prisoners who had a chronic care related appointment during the same period identified 747 (56.2%) prisoners who were not identified on the monitoring report, including 27 of the 59 prisoners in our sample. We noted that 17 (63.0%) of these 27 prisoners had at least one, and a total of 25, untimely chronic care assessments.

Our July 2015 performance audit of Prisoner Medical, Dental, and Optical Services, Department of Corrections (471-0300-14) also noted issues with MDOC not completing chronic care assessments timely. In response to that audit report, MDOC indicated that it agreed with the recommendation and was undertaking several efforts to improve the scheduling and timeliness of chronic care condition services. However, MDOC indicated that its improvement efforts were hindered by the 2018 and 2019 scabies outbreaks and MDOC nursing staff vacancies.

We consider this finding to be a material condition because of the significance of the exception rate of untimely assessments, the significant impact that monitoring has in managing chronic care conditions and that 56.2% of the prisoners with chronic care

conditions were not identified on MDOC's monitoring report, the fact that 47.4% of the untimely assessments related to prisoners who were in poor or fair condition, and because these circumstances have been ongoing for several years.

RECOMMENDATION

We again recommend that BHCS ensure the timely completion of all chronic care condition healthcare assessments.

**AGENCY
PRELIMINARY
RESPONSE**

MDOC provided us with the following response:

Partially agrees.

MDOC agrees that improvement is needed in ensuring chronic care condition healthcare assessments are completed timely. It is noteworthy that all prisoners at WHV were seen by a healthcare provider during the past year. While the assessments were not directly for their chronic care conditions they were being seen and many of them were seen multiple times for follow-up assessments. Additionally, prisoners can request (kite) healthcare and be seen if they have a concern that needs to be addressed. Many prisoners in the sample were seen multiple times throughout the year and while their level of control may not have been documented their medical concerns were addressed.

Plan of Action: MDOC has moved towards scheduling chronic care appointments by risk stratification. Implementation of this new method was completed when the new health record (COMS) was implemented. Facility staff will monitor timeliness of care through reports run from COMS. Policy language has been drafted to reflect this new standard, and staff have been provided with training and guidelines for scheduling.

**AUDITOR'S
COMMENTS TO
AGENCY
PRELIMINARY
RESPONSE***

We acknowledged in the finding that 7 (18.9%) of the 37 prisoners for whom we took exception were seen by a medical provider for an unrelated issue between 9 of their 12 untimely chronic care healthcare assessments. However, the EMR did not include documentation to support that the chronic condition was assessed at those appointments. The finding stands as written.

* See glossary at end of report for definition.

FINDING #2

Completion of annual healthcare screenings needs improvement.

BHCS did not always properly complete annual healthcare screenings to help ensure early detection and referral for treatment of health conditions and diseases.

MDOC policy directive 03.04.100 requires that each prisoner receive an annual healthcare screening within 30 days of the prisoner's birthday, including the following:

- Recording of vital signs.
- Testing, counseling, and education for tuberculosis (TB).
- Review of the continued need for special accommodations and medical details.
- Review of hepatitis B virus vaccine status.
- Counseling and education for HIV and hepatitis.
- Referral to a qualified health professional, if necessary.

We reviewed the EMR for 40 prisoners with 76 required annual healthcare screenings from January 1, 2017 through May 31, 2019. We noted that BHCS did not:

- a. Complete 15 (19.7%) healthcare screenings.
- b. Complete 10 (13.2%) healthcare screenings in a timely manner, averaging 36 days late and ranging from 6 to 68 days late.
- c. Provide HIV and hepatitis counseling and education during 4 (6.6%) of the 61 completed healthcare screenings.

MDOC indicated that because of an influx of prisoner healthcare requests related to scabies outbreaks, combined with MDOC nursing staff vacancies, it reprioritized completion of the annual healthcare screenings.

RECOMMENDATION

We recommend that BHCS properly complete all annual healthcare screenings.

AGENCY PRELIMINARY RESPONSE

MDOC provided us with the following response:

Agrees.

Plan of Action: MDOC will continue to educate staff on the importance of completing the annual health screens timely. MDOC will establish a periodic audit of the process to ensure timeliness.

FINDING #3

Timely processing of prisoner-initiated healthcare requests needs improvement.

BHCS did not always process prisoner-initiated healthcare requests in a timely manner, which may have led to delayed medical, dental, or optical care for prisoners.

MDOC policy directive 03.04.100 requires that prisoner healthcare requests be collected daily by healthcare staff and triaged within 1 business day after initial receipt. The policy also requires that, except for conditions that are emergent or urgent, healthcare staff should provide the prisoner with a written response or schedule an appointment within 5 business days after receipt of the request.

We reviewed 57 prisoner-initiated healthcare request forms submitted from January 1, 2017 through May 31, 2019. We noted that BHCS did not:

At least 28.1% of healthcare requests not triaged in a timely manner.

- a. Triage 16 (28.1%) requests within 1 business day. These requests were triaged from 2 to 5 business days after the initial receipt, as indicated by the date stamp.
- b. Date stamp 4 (7.0%) requests. Therefore, MDOC could not ensure that these requests were triaged within 1 business day.
- c. Document that it provided the prisoner with a written response or that it had scheduled an appointment within 5 business days after initial receipt for 6 (11.3%) of the 53 nonemergent, nonurgent requests. BHCS responded 1 day late to one request and 13 days late to another request and did not document a response for the other 4 requests.

MDOC indicated that an influx of prisoner healthcare requests related to the scabies outbreaks, combined with MDOC nursing staff vacancies, limited staff availability for processing healthcare requests.

RECOMMENDATION

We recommend that BHCS process prisoner-initiated healthcare requests in a timely manner.

AGENCY PRELIMINARY RESPONSE

MDOC provided us with the following response:

Agrees.

MDOC agrees that it did not always process prisoner healthcare request forms according to the time frames noted in PD 03.04.100.

Plan of Action: MDOC Nursing leadership has already completed an internal audit and identified some delays in processing requests (kites). It retrained healthcare staff on the process requirements and has followed up on recent kites to ensure compliance.

MDOC will continue with this audit process to ensure the kites are triaged within the time frame, date stamped, and prisoners provided with a response.

FINDING #4

Improvements needed to consistently charge prisoner copayments.

MDOC did not consistently charge prisoner copayments relating to nonemergency prisoner-initiated medical, dental, and optical services. This practice could foster unwarranted requests for healthcare services, creating unnecessary work for healthcare staff and unnecessary healthcare costs for MDOC.

Section 791.267a of the *Michigan Compiled Laws* requires that a prisoner who receives a nonemergency medical, dental, or optical service at his or her request is responsible for a copayment. Also, MDOC policy directive 03.04.101 requires that a prisoner shall be charged, regardless of the prisoner's ability to pay, a \$5.00 copayment for each healthcare visit, except under certain circumstances.

MDOC maintains accounts on behalf of its prisoners. Prisoners can use their funds to purchase personal items, pay court-ordered debt or restitution, and pay for medical copayments. According to MDOC's records from August 2019, the average prisoner balance in the prisoner accounts was \$129. A \$5.00 copayment would reduce the prisoner's account balance by 3.9%. MDOC collected approximately \$39,000 in copayments for eligible medical, dental, and optical services provided at the Facility from January 1, 2017 through May 31, 2019.

Our review of 57 prisoner-initiated healthcare request forms submitted from January 1, 2017 through May 31, 2019 noted that MDOC did not charge copayments for 12 (54.5%) of the 22 healthcare services that met the copayment requirements.

MDOC did not charge prisoner copayments for 54.5% of nonemergency prisoner-initiated healthcare services.

BHCS had not completed the copayment portion of the prisoner healthcare request form for 7 (58.3%) of the 12 exceptions noted. Also, the Facility business office indicated that it had not received copies of the any of the 12 healthcare request forms for its billing purposes.

We noted a similar condition in our July 2015 performance audit of Prisoner Medical, Dental, and Optical Services, Department of Corrections (471-0300-14). In response to that audit report, MDOC indicated that it agreed with the recommendation and had implemented various measures to improve compliance. However, our review still identified a 54.5% exception rate.

RECOMMENDATION

We again recommend that MDOC consistently charge prisoner copayments relating to nonemergency prisoner-initiated medical, dental, and optical services.

AGENCY PRELIMINARY RESPONSE

MDOC provided us with the following response:

Partially agrees.

MDOC agrees it has not consistently charged copayments; it disagrees with the statement that it could foster unwarranted requests for services, creating unnecessary work for healthcare

staff and unnecessary healthcare costs for MDOC. All requests for health care are triaged and referred to nursing or the medical provider as appropriate. A copayment is only charged to the prisoner/patient if they are seen and meet relevant criteria. MDOC will still have to process unwarranted healthcare requests whether the prisoner is seen and a copayment is charged or not.

Plan of Action: Copayments will become more streamlined when the new prisoner accounting system is online and linked to the health record. This is scheduled for completion in late 2020. Until automation is complete, we will monitor through reports and audits semi-annually for the first year with a determination to continue audits if there are issues with copayments not being charged. The health record includes a process where healthcare staff must select whether a copayment should be charged for the encounter. The system allows for the ability to generate reports to better monitor that copayments are being charged.

**AUDITOR'S
COMMENTS TO
AGENCY
PRELIMINARY
RESPONSE**

MDOC's response asserts that the number of requests made by prisoners would not change if copayments were consistently charged. However, medical staff at the Facility informed us that it is not uncommon for prisoners to request medical, dental, or optical services as a reason to get out of their cells for a while. Also, as indicated in the House Bill analyses, the legislative intent of the prisoner copayment fee, instituted by MDOC effective June 1997, was to reduce the number of frivolous prisoner-initiated healthcare requests. In addition, our audit report of MDOC's Bureau of Health Care Services issued in February 2000 noted that the implementation of the copayment fee reduced the number of prisoner requests for healthcare services by approximately 10,000 per month, Statewide. Therefore, we contend that strict application of MDOC's copayment policy is a deterrent to unwarranted healthcare requests. The finding stands as written.

MONITORING THE HEALTHCARE VENDOR

BACKGROUND

MDOC contracts with a private managed healthcare vendor to provide medical providers, including physicians, physician assistants, and nurse practitioners, for on-site services at the Facility and to provide a managed healthcare system for off-site services. MDOC reimburses the vendor for these services based on a fixed per prisoner, per month rate that includes a risk share component for off-site services. MDOC paid its managed healthcare vendor \$9.3 million for prisoners incarcerated at the Facility from January 1, 2017 through May 31, 2019, excluding behavioral health and pharmaceutical costs.

MDOC monitors the performance of the managed healthcare vendor through service level agreement (SLA) audits at either the facility level or a Statewide level. The facility-level SLA audits relate to medical provider timeliness of care and EMR telemedicine documentation and were required to be completed monthly prior to July 2018 and quarterly thereafter.

Also, at a Statewide level, MDOC monitors the managed healthcare vendor charges for off-site services provided to prisoners to ensure that the amounts paid to the vendor are accurate and to verify the risk share adjustment amount.

AUDIT OBJECTIVE

To assess the effectiveness of MDOC's efforts to monitor its healthcare vendor's compliance with select facility-level contract requirements.

CONCLUSION

Effective.

FACTORS IMPACTING CONCLUSION

For the 9 facility-level SLA audits that we reviewed, the Facility:

- Completed its audit procedures and forwarded the results to central office in a timely manner.
- Did not identify vendor noncompliance with contract requirements.

SERVICES DESCRIPTION

The Women's Huron Valley Correctional Facility is the only MDOC prison that houses female prisoners. MDOC's BHCS is responsible for coordinating medical, dental, and optical services for over 2,000 prisoners at the Facility. These services are provided through an outpatient clinic operated at the Facility and through a managed healthcare system for off-site services. Inpatient care is provided at MDOC-operated secure units at Henry Ford Allegiance Health Hospital in Jackson, McLaren Greater Lansing Hospital in Lansing, and other local hospitals.

From January 1, 2017 through May 31, 2019, MDOC expended \$30.7 million for medical, dental, and optical services for prisoners incarcerated at the Facility, including \$9.3 million paid to its managed healthcare vendor, an average annual cost of \$5,954 per prisoner.

AUDIT SCOPE, METHODOLOGY, AND OTHER INFORMATION

AUDIT SCOPE

To examine the healthcare and other records of MDOC and BHCS related to the delivery of medical, dental, and optical services to prisoners at the Women's Huron Valley Correctional Facility. We conducted this performance audit* in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Although BHCS is responsible for providing behavioral health and pharmaceutical services to prisoners, these services were not included within the scope of this audit because we audit them separately.

Our audit was not directed toward examining medical decisions made by healthcare professionals, including contracted healthcare professionals, concerning patient treatment or expressing conclusions on those medical decisions; accordingly, we express no conclusion on those medical decisions.

PERIOD

Our audit procedures, which included a preliminary survey, audit fieldwork, report preparation, analysis of agency responses, and quality assurance, generally covered January 1, 2017 through May 31, 2019.

METHODOLOGY

We conducted a preliminary survey to gain an understanding of the Facility's healthcare processes and operations in order to establish our audit objectives, scope, and methodology. During our preliminary survey, we:

- Interviewed BHCS and Facility management and staff regarding their functions and responsibilities.
- Reviewed State statutes and MDOC policies and procedures related to prisoner medical, dental, and optical services.
- Reviewed MDOC's managed healthcare vendor contract.
- Obtained an understanding of the EMR system.

OBJECTIVE #1

To assess the effectiveness of BHCS's efforts to provide medical, dental, and optical services.

* See glossary at end of report for definition.

To accomplish this objective, we:

- Reviewed the EMR for 42 of the 1,835 prisoners who went through the intake process at the Facility from January 1, 2017 through May 20, 2019 to determine if MDOC completed the intake healthcare screenings and the resulting follow-up care in a timely manner. We randomly selected our sample to eliminate bias and enable us to project the results to this population.
- Reviewed the EMR for 59 of the 1,329 prisoners who, based on the EMR, had at least one chronic care condition healthcare assessment completed from January 1, 2017 through May 31, 2019 to determine if BHCS completed chronic care assessments in a timely manner and properly documented the degree of control in the EMR. We judgmentally and randomly selected our sample to ensure that prisoners excluded from MDOC's monitoring and self-audit chronic care lists were included as part of our review and to enable us to project the results to the respective populations.
- Reviewed the EMR for 40 of the 1,767 prisoners incarcerated at the Facility on or after October 1, 2005 and as of April 30, 2018 for at least 13 consecutive months to determine if all components of the 76 required annual healthcare screenings were provided in a timely manner. We randomly selected our sample to eliminate bias and enable us to project the results to this population.
- Reviewed 57 hard-copy prisoner-initiated healthcare request forms submitted from January 1, 2017 through May 31, 2019 to determine if the requests were processed in a timely manner. We arbitrarily selected hard-copy request forms from each of the 29 storage boxes of prisoner-initiated healthcare request forms maintained at the Facility. Therefore, we could not project the results to the overall population.
- Determined that 22 of the 57 above prisoner-initiated healthcare request forms met the copayment requirements and reviewed MDOC copayment reports to determine if MDOC charged the \$5.00 copayment.
- Reviewed hard-copy medication administration records for 25 of the 76 prisoners who had been diagnosed with scabies from April 2017 through May 2019 and another 20 of the 2,076 prisoners who were incarcerated during January 2019 and February 2019 to determine if BHCS provided the scabies medication facility-wide. We randomly selected 15 prisoners who had a scabies diagnosis and the other 20 prisoners from the total prisoner population to enable us to project the results to the respective populations. We also judgmentally

selected 10 prisoners who had a scabies diagnosis to verify the Facility's reported population of prisoners with a scabies diagnosis.

- Reviewed the EMR and hard-copy medical records for 40 of the 86 prisoners who were incarcerated and pregnant at any time from January 1, 2017 through May 31, 2019 to determine if the required prenatal and postnatal appointments, including obstetrical and ultrasound appointments, were provided in a timely manner. We randomly selected our sample to eliminate bias and enable us to project the results to this population.
- Reviewed the EMR and hard-copy medical records for 47 of the more than 8,500 off-site healthcare visits that occurred from January 1, 2017 through May 31, 2019 to determine if the visits were properly approved and that appropriate follow-up care and medications, based on the off-site medical providers' orders, were provided to the prisoners upon return to the Facility. We randomly selected our sample to eliminate bias and enable us to project the results to this population.
- Reviewed license and certification documentation for 12 of the 73 staff providing healthcare at the Facility from January 1, 2017 through May 31, 2019 in positions that require licensure or certification. We randomly selected our sample to eliminate bias and enable us to project the results to this population.

OBJECTIVE #2

To assess the effectiveness of MDOC's efforts to monitor its healthcare vendor's compliance with select facility-level contract requirements.

To accomplish this objective, we reviewed 9 of the 22 facility level SLA audits required from January 1, 2017 through March 31, 2019 to determine if the Facility completed the audits and forwarded the results to central office in a timely manner. We judgmentally selected the 5 SLA audits for which MDOC's Procurement, Monitoring and Compliance Division had not completed the aggregated facilities audit in a timely manner and randomly selected an additional 4 SLA audits to enable us to project the results to the remaining population.

CONCLUSIONS

We base our conclusions on our audit efforts and any resulting material conditions or reportable conditions.

When selecting activities or programs for audit, we direct our efforts based on risk and opportunities to improve State government operations. Consequently, we prepare our performance audit reports on an exception basis.

**AGENCY
RESPONSES**

Our audit report contains 4 findings and 4 corresponding recommendations. MDOC's preliminary response indicates that it agrees with 2 of the recommendations and partially agrees with 2 of the recommendations.

The agency preliminary response that follows each recommendation in our report was taken from the agency's written comments and oral discussion at the end of our fieldwork. Section 18.1462 of the *Michigan Compiled Laws* and the State of Michigan Financial Management Guide (Part VII, Chapter 4, Section 100) require an audited agency to develop a plan to comply with the recommendations and to submit it to the State Budget Office upon completion of an audit. Within 30 days of receipt, the Office of Internal Audit Services, State Budget Office, is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

**PRIOR AUDIT
FOLLOW-UP**

Following is the status of the reported findings from our July 2015 performance audit of Prisoner Medical, Dental, and Optical Services, Department of Corrections (471-0300-14), as they relate to the Facility:

Prior Audit Finding Number	Topic Area	Current Status	Current Finding Number
1	Conducting Timely Chronic Care Condition Medical Assessments	Repeated*	1
1	Documenting Completed Chronic Care Assessments	Complied	Not applicable
2	Charging Prisoner Copayments	Repeated	4
3	Monitoring the Managed Healthcare Vendor's Compliance With SLA Requirements	Complied	Not applicable
4	Verifying Prisoner Healthcare Costs for Off-Site Services	Not in scope of this audit.	
5	Establishing Effective User Access Controls Over EMR System	Not in scope of this audit.	

* See glossary at end of report for definition.

GLOSSARY OF ABBREVIATIONS AND TERMS

asthma	A respiratory condition marked by spasms in the bronchi of the lungs, causing difficulty in breathing. It usually results from an allergic reaction or other forms of hypersensitivity.
auditor's comments to agency preliminary response	Comments that the OAG includes in an audit report to comply with <i>Government Auditing Standards</i> . Auditors are required to evaluate the validity of the audited entity's response when it is inconsistent or in conflict with the findings, conclusions, or recommendations. If the auditors disagree with the response, they should explain in the report their reasons for disagreement.
BHCS	Bureau of Health Care Services.
chronic care condition	Condition requiring medical treatment for an indefinite time frame.
diabetes	A disease in which the body's ability to produce or respond to the hormone insulin is impaired, resulting in abnormal metabolism of carbohydrates and elevated levels of glucose in the blood and urine.
effectiveness	Success in achieving mission and goals.
EMR	electronic medical records.
human immunodeficiency virus (HIV)	A virus that attacks cells that help the body fight infection.
hyperlipidemia	An abnormally high concentration of fats or lipids in the blood.
hypertension	Abnormally high blood pressure.
hypothyroidism	Abnormally low activity of the thyroid gland, resulting in retardation of growth and mental development in children and adults.
material condition	A matter that, in the auditor's judgment, is more severe than a reportable condition and could impair the ability of management to operate a program in an effective and efficient manner and/or could adversely affect the judgment of an interested person concerning the effectiveness and efficiency of the program. Our assessment of materiality is in relation to the respective audit objective.

MDOC	Michigan Department of Corrections.
performance audit	An audit that provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight in using the information to improve program performance and operations, reduce costs, facilitate decision-making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.
repeated	The same problem was noted in the current audit, and the wording of the current recommendation remains essentially the same as the prior audit recommendation.
reportable condition	A matter that, in the auditor's judgment, is less severe than a material condition and falls within any of the following categories: an opportunity for improvement within the context of the audit objectives; a deficiency in internal control that is significant within the context of the audit objectives; all instances of fraud; illegal acts unless they are inconsequential within the context of the audit objectives; significant violations of provisions of contracts or grant agreements; and significant abuse that has occurred or is likely to have occurred.
SLA	service level agreement.



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