



STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

ELIZABETH HERTEL
DIRECTOR

December 5, 2022

Rick Lowe, Chief Internal Auditor
Office of Internal Audit Services
111 South Capitol Avenue
8th Floor, Romney Building
Lansing, Michigan 48933

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 2022 OAG Comp Health Care – Oversight and Encounter Claims Follow Up.

Questions regarding the summary table or corrective action plans should be directed to me at 517-241-4237 or MyersP3@michigan.gov.

Sincerely,

Pam Myers

Pam Myers, Director
Bureau of Audit

PM:wb

Enclosure (1)

c: Office of the Auditor General
House Fiscal Agency
Senate Fiscal Agency
Executive Office
DHHS, David Knezek
DHHS, Farah Hanley

House Appropriations Committee
House Standing Committee
Senate Appropriations Committee
Senate Standing Committee
DHHS, Amy Epkey
DHHS, Erin Emerson

PERFORMANCE AUDIT OF 2022 OAG COMP
HEALTH CARE - OVERSIGHT AND
ENCOUNTER CLAIMS FOLLOW UP

DEPARTMENT OF HEALTH AND HUMAN
SERVICES

AUDIT RESPONSE

Approved: Amy Epkey
Amy Epkey, Senior Deputy Director
Department of Health and Human Services

Date: December 1, 2022



AUDIT REPORT SUMMARY

DEPARTMENT: Behavioral and Physical Health & Aging Services
Administration

AUDIT PERIOD: June 1, 2021 through May 31, 2022

REPORT DATED: September 9, 2022

DISPOSITION OF AUDIT RECOMMENDATIONS

CITATIONS COMPLIED WITH	CITATIONS TO BE COMPLIED WITH	CITATIONS DHHS DID NOT AGREE WITH
	Finding 1 (09/30/2024)	

Audit Response
Performance Audit
2022 OAG Comp Health Care - Oversight and
Encounter Claims Follow up
Department of Health and Human Services
June 1, 2021 through May 31, 2022

Recommendation 1: Monitoring of MHP encounter claim data and supporting medical records needed.

We again recommend that MDHHS implement a process to help ensure PH encounter claims are properly supported by medical records and accurately represent the medical services provided.

Response

MDHHS agrees that its process to ensure encounter claims are properly supported needs to be enhanced. As the finding notes a targeted review of medical claims was conducted in 2020, however, not documented appropriately. MDHHS will further ameliorate in fiscal years 2023 and 2024 by adding the Encounter Data Validation (EDV) protocol to its contracts with their External Quality Review Organization (EQRO). The new EDV protocol includes an evaluation of the completeness and accuracy of MDHH's encounters via a review of medical records.