

  
agency for persons with disabilities  
*State of Florida*

June 30, 2014

Rick Scott  
Governor

■ ■  
Barbara Palmer  
Director

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Barbara Palmer, Director  
Agency for Persons with Disabilities  
4030 Esplanade Way, Suite 380  
Tallahassee, FL 32399-0950

Re: OIG# 140619-01, Status of Corrective Actions, Auditor General  
Report No 2014-056, iBudget Florida and Prior Audit Follow-Up

Dear Director Palmer:

In accordance with the provisions of Section 20.055(5)(h), Florida Statutes, we asked the responsible managers for the current status of each finding identified in the report.

The findings, recommendations, the manager's original response, and the June 2014 status of corrective actions are attached. We have reviewed these and believe the actions taken are acceptable.

Please contact me if you have any questions.

Sincerely,



Carol R. Sullivan, MBA, CIA, CIGA, CIG  
Inspector General

CRS:bb  
Enclosure

cc: [JLAC@leg.state.fl.us](mailto:JLAC@leg.state.fl.us)  
Chief Inspector General, [Melinda.Miguel@eog.myflorida.com](mailto:Melinda.Miguel@eog.myflorida.com)

Follow-up – iBudget Florida and Prior Audit Follow-Up Operational Audit  
(Report No. 2014-056)

Finding Number: 1	iBudget Florida Allocation Algorithm and Methodology
Finding:	The Agency should take appropriate actions and establish procedures to ensure compliance with State law and promote the achievement of iBudget Florida objectives.
Recommendation:	We recommend that the Agency continue its efforts to ensure that the iBudget Florida allocation methodology is consistent with the requirements of State law. In addition, to ensure that the objectives of iBudget Florida are achieved, the Agency should establish procedures to periodically evaluate the appropriateness of iBudget algorithm, Target Allocation calculation methodology, and reserve calculation process.
APD Response:	The Agency concurs. The Agency will follow the courts' direction as it relates to the settlement agreement. The Agency will also review and update our procedures as necessary as it relates to the iBudget algorithm, Target Allocation calculation methodology and the reserve calculation process.
APD Contact: Name: Phone Number:	Denise Arnold, Deputy Director of Programs 488-3673
Current Status:	Action pending outcome of litigation.

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Finding Number: 2	Calculation of Client iBudgets
Finding:	The Agency did not always ensure that clients' iBudget amounts were supported by adequate documentation evidencing that the amounts were calculated in accordance with Agency instructions.
Recommendation:	We recommend that the Agency establish written policies and procedures that require the maintenance of documentation to support iBudget calculations and address the review of iBudget amounts by Agency staff prior to approval.
APD Response:	The Agency concurs. The Agency will continue to follow Rule 65G and review and update our procedures as necessary as it relates to the documentation required to determine a client's budget.
APD Contact: Name: Phone Number:	Denise Arnold, Deputy Director of Programs 488-3673
Current Status:	Action pending outcome of litigation.

Follow-up – iBudget Florida and Prior Audit Follow-Up Operational Audit  
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Finding Number: 3	iBudget Florida Monitoring
Finding:	Agency management had not established written procedures specifying the tools and processes to be used to monitor iBudget Florida expenditures and the available budget.
Recommendation:	We recommend that the Agency establish written procedures specifying the tools and processes to be used to monitor the Agency's iBudget Florida expenditures and budget.
APD Response:	The Agency concurs. The Agency will develop written procedures specifying the reports, processes and frequency for monitoring the Agency's iBudget Florida expenditures and budget.
APD Contact: Name: Phone Number:	David Dobbs, Deputy Director for Budget & Planning 414-6058
Current Status:	During the last six months, Budget and Planning has implemented processes to monitor the Agency's actual cumulative expenditures on a weekly and monthly basis. During 2013-2014 fiscal year, management's strategies have been effective in monitoring the iBudget expenditures. During the next six months, Budget and Planning will document their newly implemented monitoring processes.

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Finding Number: 4	Documentation of Client Eligibility
Finding:	The Agency did not always timely complete or properly document client eligibility determinations.
Recommendation:	We recommend that the Agency ensure that client eligibility determinations are properly documented and supported by appropriate client eligibility documentation. Such documentation should be maintained in a central location to facilitate the Agency's verification of, and enhance management's assurances related to, client eligibility. We also recommend that the Agency ensure that annual evaluations of client eligibility are timely performed and documented on Eligibility Worksheets in accordance with Agency procedures.
APD Response:	The Agency concurs. APD has consulted with AHCA and CMS and is awaiting written guidance to share with regional staff and Waiver Support Coordinators (WSCs). APD will issue a procedure as to how staff and WSCs are to conduct and validate individual eligibility determination based upon missing documentation once the instructions from AHCA have been received. State Office will also provide training to regional staff and WSCs as to how to conduct record reviews on individual files that have missing eligibility documentation.
APD Contact: Name: Phone Number:	Denise Arnold, Deputy Director of Programs 488-3673
Current Status:	APD received a memo from AHCA dated December 10, 2013 and provided the memo and a template to the Regions on January 10, 2014 for Regions to use to validate individuals with missing original eligibility determination and level of care. APD provided follow up instructions and a revised template to the Regions on March 24, 2014. APD issued a memo on May 12, 2014 to Regions to provide additional clarification regarding how WSCs are to address missing waiver eligibility/Level of Care documents.

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Finding Number: 5	Information System Reconciliations
Finding:	The Agency did not periodically reconcile the claims payment data recorded in the Agency's systems used to plan and manage client services to the claims payment data included in the Florida Medicaid Management Information System.
Recommendation:	We recommend that the Agency continue its efforts to establish and implement procedures requiring the periodic reconciliation of the claims payment data recorded in the ABC, iBudget Florida, and FMMIS systems.
APD Response:	The Agency concurs. The Agency will continue its efforts to develop and implement procedures for the periodic reconciliation of the claims payment data in the ABC, iBudget Florida and FMMIS systems.
APD Contact: Name: Phone Number:	Rose Salinas, Chief of Financial Services 922-2863
Current Status:	The Agency's financial office continues to work with the Agency's information technology office to develop the methodologies needed to match the records from the disparate systems to reconcile the claims payment data.



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Finding Number: 6	Quality Assurance Reviews – HCBS Medicaid Waiver Program
Finding:	The Agency did not always timely follow-up with providers who were determined to be noncompliant during quality assurance reviews.
Recommendation:	We recommend that the Agency continue to work with AHCA to enhance procedures for the timely remediation of provider compliance deficiencies. For noncompliant providers that are nonresponsive to remediation efforts, such procedures should address the timely termination of the provider from the HCBS Medicaid waiver program.
APD Response:	The Agency concurs. All 13 providers have been terminated. In 2013, the Bureau of Quality Management began revising the current Quality Management Operating Procedure to establish clear guidelines for immediate follow-up that includes a termination review of Noncompliant providers.
APD Contact: Name: Phone Number:	Denise Arnold, Deputy Director of Programs 488-3673
Current Status:	APD completed the revisions of the Quality Management System Operating Procedure # 4-0007 on April 21, 2014 and includes guidelines for follow-up on noncompliant providers. APD regional staff received instructions on the operating procedure in May 2014. Based upon Quality Improvement Organization (i.e., Delmarva Foundation) findings, there are no identified non-compliant providers requiring follow up. APD State Office reviews with regional staff data on provider performance on a quarterly basis.

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Finding Number: 7	IFS Client Eligibility Determinations
Finding:	The Agency did not properly document or periodically reevaluate client eligibility determinations for clients receiving services through the IFS Program.
Recommendation:	We again recommend that the Agency periodically reevaluate client eligibility determinations and that each client's Florida domicile be verified annually. Additionally, we recommend that the Agency enhance its procedures to better ensure that client eligibility determinations are properly documented and appropriately updated.
APD Response:	The Agency concurs. Program staff will develop a Business Process to detail all requirements of the Individual and Family Supports (IFS) Program to include eligibility determination, documentation requirements, service availability and limitations, review process, implementation and tracking requirements, among other things.
APD Contact: Name: Phone Number:	Denise Arnold, Deputy Director of Programs 488-3673
Current Status:	APD obtained the Systematic Alien Verification for Entitlements (SAVE) program, which will help research citizenship and immigration status information of non-citizen and naturalized or derived U.S. citizen individuals applying for APD services. APD also met with Department of Children and Family's Refugee Program to obtain information about other programs that can help non-citizens with developmental disabilities. The Application for Services is under revision to include verification of applicant citizenship and is being finalized for implementation. The IFS Service Code Definitions was revised to include service availability and limitations. Information was shared with field office staff to improve tracking of IFS service utilization by using correct codes. The Application and Eligibility operating procedures are currently under revision to provide instructions to ensure compliance in eligibility, citizenship, residency, and active military service requirements.



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Finding Number: 8	CDC+ Program Account Balances
Finding:	CDC+ Program funds were allowed to accumulate in consumer accounts instead of being reinvested.
Recommendation:	We recommend that the Agency finalize and implement its methodology to ensure that excessive CDC+ Program consumers' account balances are identified and timely reinvested
APD Response:	The Agency concurs. The Agency in coordination with AHCA completed the Rule Development process. The CDC+ Rule (59G-13.088) was adopted in November 2012 and since then, the Agency has taken steps to perform analysis of the excess funds and worked with technology staff to automate the process used to identify funds for reinvestment. The Agency anticipates the implementation of the reinvestment methodology and notice of the reinvestment of funds going out to the first wave of consumers with account balances in excess of \$50,000 in the near future.
APD Contact: Name: Phone Number:	Susan Nipper, CDC+ Administrator 414-5070
Current Status:	CDC+ is currently finalizing the data for the first wave of consumers with account balances in excess of \$50,000. Notification of the reinvestment of funds is anticipated to go out during July 2014.

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Finding Number: 9	Employee Mileage Reimbursements
Finding:	Agency travel reimbursement requests were not always adequately supported or paid in accordance with the requirements of State law.
Recommendation:	To ensure compliance with State law and DFS rules, we recommend that the Agency enhance its travel policies and procedures to require mileage reimbursement requests be supported by adequate documentation and that, prior to reimbursement, the reasonableness and allowability of the claimed mileage be verified. In addition, for travelers who claim mileage to and from their residences, we recommend that the Agency obtain and maintain documentation evidencing that the destination was closer to the traveler's residence than their headquarters.
APD Response:	The Agency concurs. The Agency will review and enhance its travel policies and procedures regarding travel reimbursement and proper documentation.
APD Contact: Name: Phone Number:	Rose Salinas, Chief of Financial Services 922-2863
Current Status:	APD has updated its travel policies and procedures regarding travel reimbursement and the required supporting documentation. These policies will go into effect on July 1, 2014.