



**State of Florida
Department of Children and Families**

Ron DeSantis
Governor

Chad Poppell
Secretary

DATE: April 23, 2020
TO: Chad Poppell
Secretary
FROM: Keith R. Parks *KRP*
Inspector General
SUBJECT: Corrective Action Status Report – Acute Care Services
OPPAGA Report No. 19-12

In accordance with § 20.055(6)(h), Florida Statutes, enclosed is our six-month status report on Office of Program Policy Analysis and Government Accountability (OPPAGA) Report No. 19-12, *The Acute Care Services Utilization Database Meets Statutory Requirements; Limitations Exist for Certain Types of Analyses*, dated November 2019.

If I may be of further assistance, please let me know.

Enclosure

cc: Melinda Miguel, Chief Inspector General, Executive Office of the Governor
Patricia Babcock, Deputy Secretary
David Mica, Chief of Staff
Rodney Moore, Assistant Secretary for Substance Abuse and Mental Health
Ute Gazioch, Director, Substance Abuse and Mental Health
Kathy DuBose, Staff Director, Joint Legislative Auditing Committee

SM/ej

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Mission: Work in Partnership with Local Communities to Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency

**OIG – Internal Audit
 Corrective Action Status Report
 The Acute Care Services Utilization Database Meets Statutory Requirements;
 Limitations Exist for Certain Types of Analyses
 Report No. 19-12, Issued November 2019
 As of April 20, 2020**

Findings	Recommendation	Auditee Response	Corrective Action Status
<p>Analysis of ACSU data allows identification of potential double billing and provides information on bed utilization rates.</p> <p>In both fiscal years reviewed, at least 10% of providers may have received multiple payments for the same bed day; the majority of facilities operated over their licensed capacities.</p>	<p>In cases where ACSU data indicates that there is a possibility that multiple payor sources funded the same bed day, DCF could work with the relevant managing entities to further analyze provider-level financial data (e.g., invoices, adjusted payments, etc.) to determine how billing adjustments were reconciled and whether double billing occurred.</p>	<p>The Department does, however, propose exception to the methodology used to determine the finding of providers being overpaid or underpaid by the Department, considering the following:</p> <p>Pursuant to financial rule 65E-14, F.A.C, Crisis Stabilization Units (CSUs) and Inpatient Detoxification Facilities are paid based on availability, not utilization. Public receiving facilities are required to accept all presenting individuals that meet the Baker Act level of care standard, regardless of payor. Considering payment made by the Managing Entities is based on availability, payment for beds not utilized would not constitute overpayment, nor would provision of services exceeding contracted bed days constitute underpayment.</p>	<p>The Department maintains exception to the methodologies used to determine findings of potential double billing, as discussed under the Auditee Response.</p> <p>To ensure appropriate billing practices, in December 2019, the Department contracted with Thomas Howell Ferguson to conduct a billing audit of a representative provider sample and further evaluate the potential for double billing.</p> <p>The audit plan requires a final report of findings by April 30, 2020; however, this is likely to be extended due to delays in data collection under the current public health emergency.</p>
<p>State-funded beds had high utilization rates, and rates vary widely across types of receiving facilities and age groups; however, the state has overpaid for certain facility types and underpaid for others.</p>	<p>To facilitate the efficient redistribution of resources, DCF could require managing entities to analyze the utilization and payment data by provider, facility type, and age group served. For example, if certain facilities are consistently underutilizing their state-contracted bed days, the managing entities could reallocate those bed days to facilities that are using more bed days on indigent patients than they are allocated.</p>	<p>The ACSU database represents point in time reporting and does not allow for reconciliation of payer type and actual utilization, which is completed by the provider prior to submission of invoices and other routine reports. It is a limited data set that represents the number of individuals presenting in crisis for services and does not reconcile actual utilization of bed days with payer source.</p>	<p>The Department maintains exception to the methodologies used to determine findings of over and under payment and utilization of beds by payor source, as discussed under the Auditee Response.</p> <p>The Department will encourage the Managing Entities to analyze bed utilization within their provider networks during annual subcontract negotiations for acute care services for fiscal year 2020-2021.</p>