



## Office of Internal Audit

**Financial and Operational Audit  
of the Mobile Health Center**

**Report No. 16/17-02**

**August 8, 2016**

**Date:** August 8, 2016

**To:** John Rock, Dean, FIU Herbert Wertheim College of Medicine and  
Senior Vice President for Medical Affairs  
Pedro J. Greer Jr., Associate Dean for Community Engagement and Chair of  
Department of Humanities, Health, and Society

**From:** Allen Vann, Chief Audit Executive



**Subject:** Financial and Operational Audit of the Mobile Health Center  
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In 2009, a \$10 million endowment was received by FIU to establish the Medicine & Society curriculum at the Hebert Wertheim College of Medicine. The resulting NeighborhoodHELP program provides clinical services to needy communities through the Mobile Health Center (MHC). Pursuant to our approved annual plan, we have completed a financial and operational audit of the MHC.

The primary objectives of our audit were to determine whether financial and operational controls over the MHC were adequate and effective. Specifically, we evaluated: 1) financial management and compliance with grant and endowment requirements and 2) administrative processes.

Overall, our audit disclosed that financial management over the MHC was adequate. However, administrative controls related to purchase order processing, documenting the use of the vans, patient data, and tracking purchases of medical supplies and prescription pads need further attention. Our audit resulted in four recommendations which management agreed to implement. A separate audit report on related information technology controls will follow.

We would like to take this opportunity to express our appreciation for the cooperation and courtesies extended to us during this audit.

Attachment

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Gerald C. Grant Jr., Chair, FIU Board of Trustees Finance and Audit Committee  
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## **OBJECTIVE, SCOPE AND METHODOLOGY**

We have completed an audit of the University's Mobile Health Center (MHC) for fiscal year 2014-2015. The primary objectives of our audit were to determine whether financial and operational controls over the MHC were adequate and effective. Specifically, we evaluated: 1) financial management and compliance with grant and endowment requirements and 2) administrative processes.<sup>1</sup>

The audit was conducted in accordance with *the International Standards for the Professional Practice of Internal Auditing*, and included test of the accounting records and such other auditing procedures as we considered necessary under the circumstances. Audit fieldwork was conducted from January to May 2016.

During the audit, we:

- reviewed University and College policies and procedures, applicable Florida statutes and federal laws, and grant and endowment agreements;
- observed current practices and processing techniques;
- interviewed responsible personnel;
- visited the mobile health vans; and
- tested selected transactions.

Sample sizes and transactions selected for testing were determined on a judgmental basis.

As this was the first internal audit of the MHC, there were no prior internal audit recommendations related to the scope and objectives of this audit requiring follow-up. Similarly, there were no other external audit reports issued during the last three years with any applicable recommendations related to the scope and objectives of this audit.

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<sup>1</sup> A separate report will be issued for information security controls related to the MHC.

## **BACKGROUND**

In 2009, a \$10 million endowment from the Green Family Foundation (GFF) and the Batchelor Foundation was given to the Florida International University (FIU) Foundation to help establish the Medicine & Society curriculum at the University. The centerpiece of this curriculum included the Hebert Wertheim College of Medicine's (HWCOM's) GFF NeighborhoodHELP™ (Health Education Learning Program). HWCOM's department of Humanities, Health, and Society oversees the program.

NeighborhoodHELP™ prepares medical, social work, nursing and law students to understand and address the health and socioeconomic needs of underserved populations in local communities. The core of NeighborhoodHELP™ is an outreach team that collaborates with various organizations in the communities for referrals of households in need of services and willing to participate in the program. Utilizing a household-centered care model, students make regular home visits and work with members to improve health by identifying and responding to the social determinants that affect access to care and health outcomes.

To overcome access barriers, as well as address the critical need for enhanced primary and preventative care services in NeighborhoodHELP™ communities, health care services are provided through the program's Mobile Health Center that provides clinical services in the target neighborhoods. Students also make referrals to community services for specialty and social support services.

The MHC is comprised of four mobile vans. MHC 1 and MHC 3 are used for primary care services, MHC 2 is used for mammography services and MHC 4 is not currently in use. The mobile vans are fully equipped medical offices with two examination rooms and a laboratory to help serve members enrolled in NeighborhoodHELP™. They provide free services including routine physicals, well-care, adult vaccinations, disease management and screening, health education and wellness, women's health, as well as advanced technology mammography screenings.



The MHC operates four times a week (Monday through Thursday) and at least one Saturday a month. Faculty members in HWCOP perform the primary care services in the mobile vans.

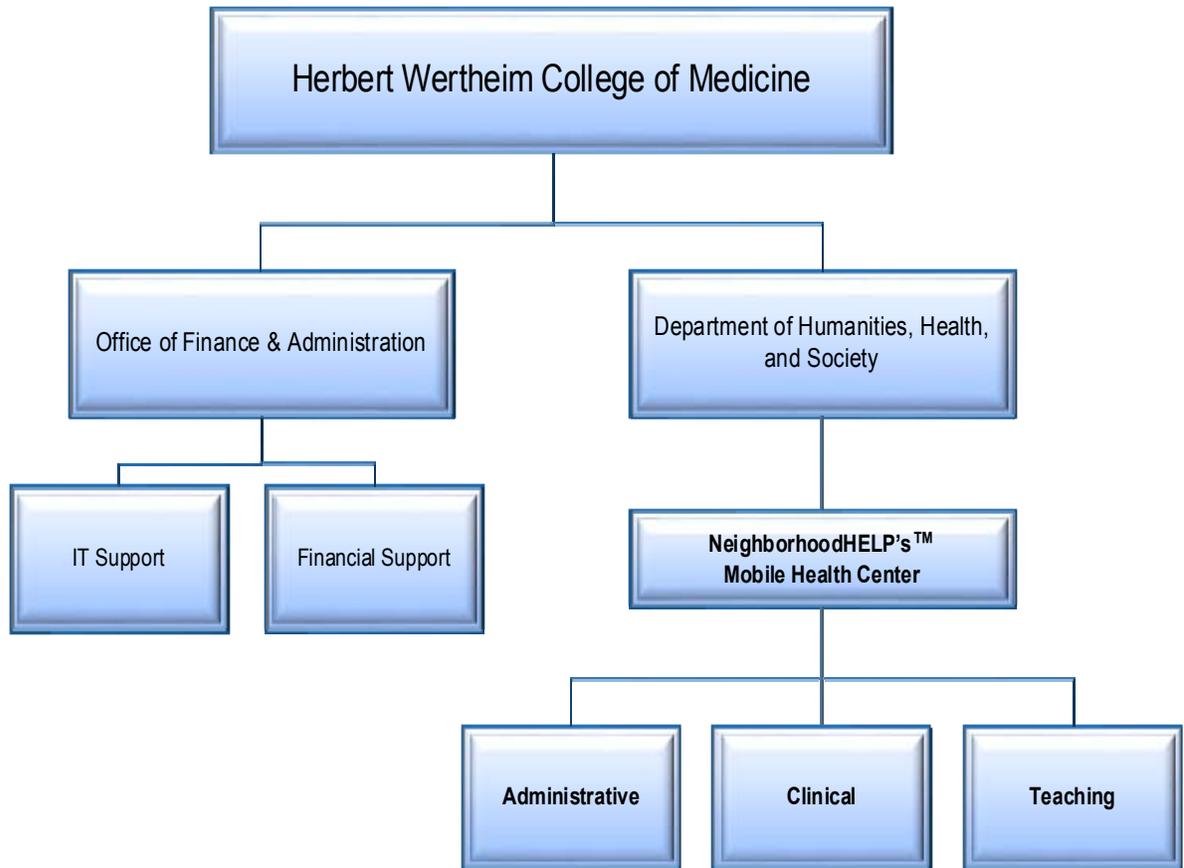
From November 2012 through September 2015, the NeighborhoodHELP™ MHC health care team provided services to 1,075 patients during 4,281 visits, including 3D mammography screenings for 483 women.



## Organization Structure

NeighborhoodHELP™ is under the direction of the Chair of the Department of Humanities, Health, and Society within HWCOC. The Mobile Health Center is managed by a Medical Director, who is a faculty member in the College and a Clinical Director of Operations, who oversees the mobile vans. Other departments in the College provide support services.

A high-level organizational structure for the MHC is shown below.

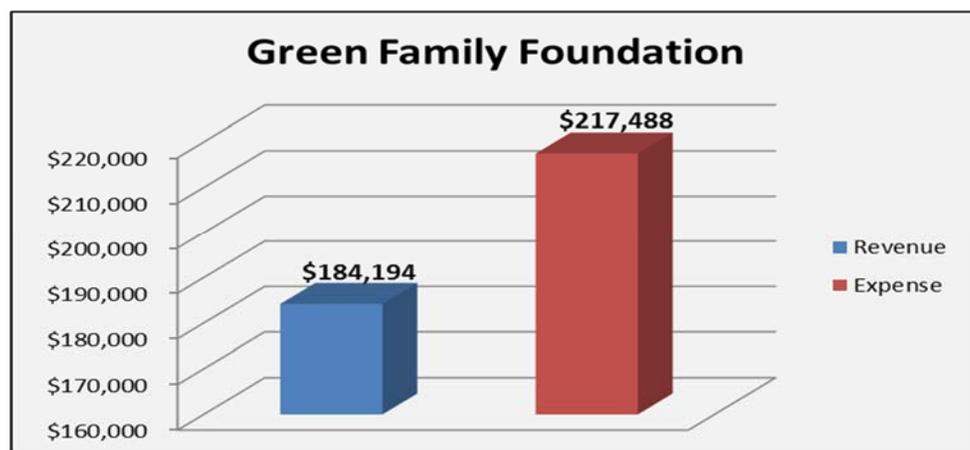
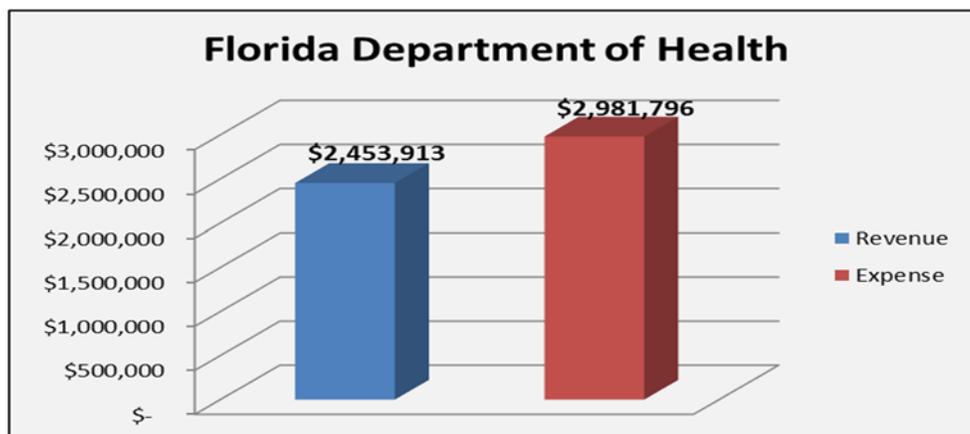


## Financial Information

MHC related transactions are recorded under the Department's NeighborhoodHELP™ (Program) accounts. Total revenues received for the Program during fiscal year 2014-2015 were approximately \$2.7 million, while total expenditures were \$3.3 million<sup>2</sup>. Of the total expenditures, \$953,045 were budgeted for MHC related salaries, contractual services and other operating expenses.

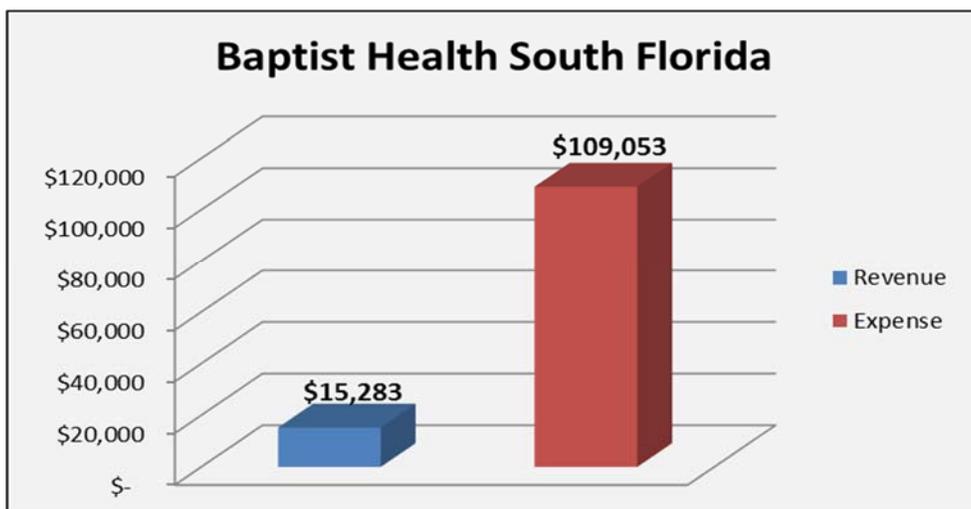
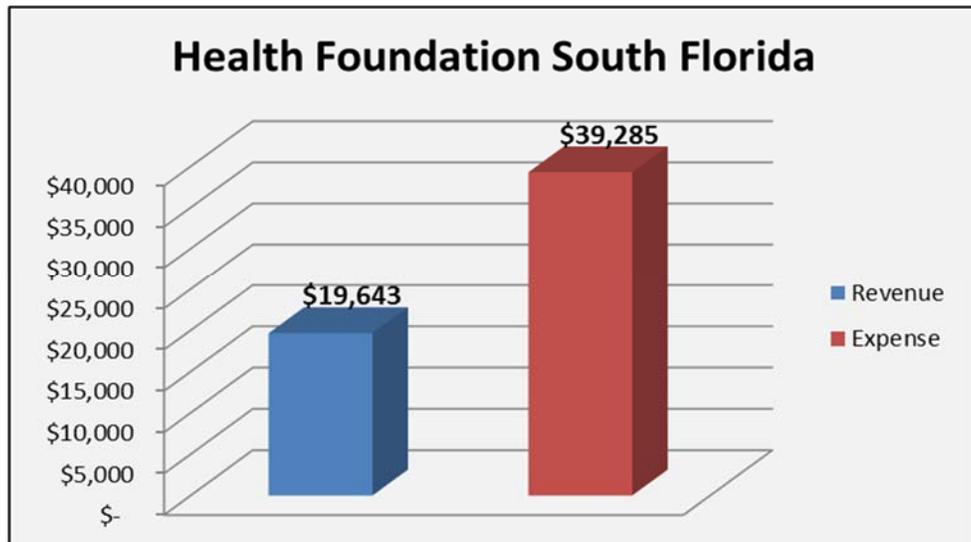
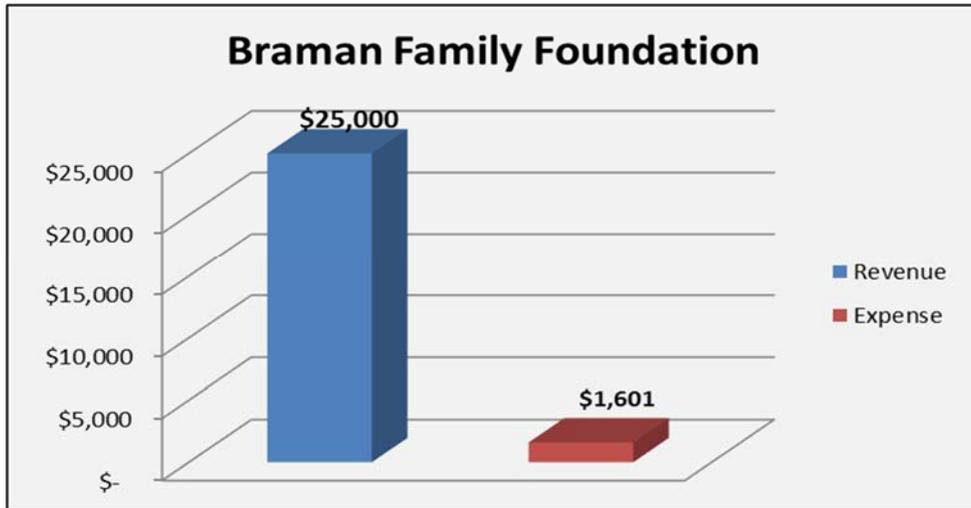
During the fiscal year 2014-2015, the majority of revenues and expenses were funded by the Florida Department of Health<sup>3</sup>. Other funding sources included the Green Family Foundation, Braman Family Foundation, Health Foundation of South Florida and Baptist Health South Florida. The charts below provide a breakdown of the Program's total revenue and expense by funding sources.

### Revenue and Expense by Funding Source for FY 2015



<sup>2</sup> The \$600,000 deficit was covered by prior year fund balances.

<sup>3</sup> Prior to fiscal year 2015, the \$10 million endowment from the Green Family Foundation and the Batchelor Foundation was used for the Program.



## FINDINGS AND RECOMMENDATIONS

Overall, our audit disclosed that financial management over the Mobile Health Center was adequate. However, administrative controls related to purchase order processing, documenting the use of the vans, patient data, and tracking purchases of medical supplies and prescription pads need further attention.

Our overall evaluation of internal controls is summarized in the table below.

<b>INTERNAL CONTROLS RATING</b>			
<b>CRITERIA</b>	<b>SATISFACTORY</b>	<b>FAIR</b>	<b>INADEQUATE</b>
Process Controls		X	
Policy & Procedures Compliance	X		
Effect		X	
Information Risk <sup>4</sup>			
External Risk		X	
<b>INTERNAL CONTROLS LEGEND</b>			
<b>CRITERIA</b>	<b>SATISFACTORY</b>	<b>FAIR</b>	<b>INADEQUATE</b>
Process Controls	Effective	Opportunities exist to improve effectiveness	Do not exist or are not reliable
Policy & Procedures Compliance	Non-compliance issues are minor	Non-compliance issues may be systemic	Non-compliance issues are pervasive, significant, or have severe consequences
Effect	Not likely to impact operations or program outcomes	Impact on outcomes contained	Negative impact on outcomes
Information Risk	Information systems are reliable	Data systems are mostly accurate but can be improved	Systems produce incomplete or inaccurate data which may cause inappropriate financial and operational decisions
External Risk	None or low	Medium	High

<sup>4</sup> Information Risk will be evaluated in a separate audit report on information security of the MHC.

The areas of our observations during the audit are detailed below.

## 1. Financial Management

During the audit, we reviewed MHC financial controls in the following areas and determined that they were adequate and effective.

### a) Compliance with Grant/Endowment Agreements

We reviewed six grant/endowment agreements and evaluated the process for oversight and monitoring to ensure compliance with the terms, conditions and restrictions of each agreement, with no exceptions noted.

Specifically, we verified that:

- revenue was accurate, timely billed and received;
- funds received were properly allocated for MHC expenses;
- financial performance measures were met; and
- annual progress and financial reports were timely submitted to grantors/donors.

### b) Payroll Expenditures

Most of MHC expenditures, approximately \$604,000 or 63% were budgeted for payroll related expenses. Our audit tests focused on employees whose salaries and fringe benefits were paid from funding sources with specific requirements. We examined payroll detail reports and position descriptions for 17 employees, totaling \$403,612 in payroll expenditures<sup>5</sup>.

Payroll Expenditures			
Funding Source	Requirement	Number of Employees	Amount
Florida Department of Health	A minimum of \$75,000 per quarter in salary and benefits expenditures for faculty and staff who deliver and support primary care services on the MHC.	8	\$326,189
Baptist Health South Florida	Related to operations in the South Miami communities (MHC 3).	7	\$48,172
Braman Family Foundation	Related to operations of the mammogram van (MHC 2).	2	\$29,251
<b>Total</b>		<b>17</b>	<b>\$403,612</b>

<sup>5</sup> Some of the employees' salaries were partially funded by these funding sources.

Without exception, all of the payroll related expenses tested were allowable and related to operations of the MHC.

**c) Asset Management**

The College had 23 capital assets (cost of \$5,000 or greater) listed on the University’s Property Master List for the MHC as of December 2015 with an associated cost of \$2.1 million. All 23 capital assets were accounted for during the University’s annual physical inventory in November 2015.

In addition, we evaluated the manner in which the College manages its attractive property of the MHC. These represent non capital assets costing less than \$5,000 such as laptops, workstations, iPads, routers, hardware and other technical equipment. Maintaining and tracking attractive property is the responsibility of the College’s Information Technology (IT) department.

In November 2015, the HWCOTM IT Security Team developed a Mobile Health Clinic Security Overview, which includes an inventory list to highlight items assigned to each van. We confirmed the existence of the 14 items listed on the document.

**d) Other Operating Expenditures**

We tested 50 MHC related expenditures, totaling \$339,541. Although all expenditures tested were allowable and provided a direct benefit for the operations of the MHC, our testing disclosed four transactions totaling \$3,109 in which services were acquired and/or goods were purchased prior to the approval of a requisition and issuance of a purchase order. They included purchases of clothing and uniforms, repairs and maintenance and professional services.

According to the University’s Purchasing Procedures Manual, “Departmental employees do not have authority to place orders with vendors or contractors for supplies or services. The authority for issuing contracts and purchase orders is with the Purchasing Services Department. Purchases made by employees without first securing a purchase order or a contract are a violation of University and state policy...”

Thus, purchase orders or contracts being issued after-the-fact circumvent the intent and purpose of established procedures and weakens control over the procurement and budget processes.

**Recommendation**

The Mobile Health Center should:	
1.1	Follow purchasing requirements for securing a purchase order or contract prior to receiving goods or services.

**Management Response/Action Plan:**

1.1 The Humanities, Health, and Society (HHS) Department had the following steps in place prior to placing orders with vendors or contractors for supplies or services:

- a) An estimate is requested from an FIU approved vendor.
- b) The estimate is uploaded to the HHS SharePoint Invoice/Quote approval system.
- c) Funding source is verified and quote is approved.
- d) COM Purchasing receives quote for purchase order creation.

In order to ensure compliance with purchasing requirements, an additional step has been implemented:

- e) The HHS Department confirms with COM Purchasing that a PO has been created prior to proceeding with purchase.

Implementation date: Immediately

## 2. Administrative Controls

During our audit, we evaluated administrative controls in the following areas and determined that some improvements are needed.

### a) **Utilization of Vans**

MHC 1, 2 and 3 were in use for a total of 271 days during the fiscal year 2014-15. We evaluated vehicle trip logs and fuel consumption records during this time. Overall, our review disclosed that the utilization of these vans were consistent with the MHC's operating schedule. However, we noted that total miles reported was not always accurate. For example, mileage was not recorded on some days and was not always consecutive (i.e. the beginning mileage was different from the ending mileage on the previous day of usage).

In addition, we noted that MHC 4 had not been utilized for over nine months. A purchase order for the van was completed on May 23, 2014 for \$366,451, of which 92% was funded from the Educational & General (E&G) fund and the rest was funded by the Florida Department of Health. The van was received on September 11, 2015 and has been stored at the University's Motor Pool area on the Modesto Maidique Campus since acquired.

Per discussion with management, the rollout timeline for MHC 4 is consistent with the rollout trends of the prior three vans. Use of the van also depends on the complexity of services to be provided (i.e. dental) and securing funding for operational expenses.



Despite not being in use, we also observed that approximately 200 miles were driven since the van was received. The Clinical Director mentioned that the van is occasionally

driven around or taken for maintenance. However, no mileage logs existed to support the mileage driven.

Per University Policy Number 540.005, *Acquisition, Assignment and Use of University Vehicles*, “a vehicle trip log must be maintained for all University on-road automobile, trucks, vans and buses...specific information must be tracked and written in the log, including the operator’s name, the amount of gallons of fuel dispensed, the date and time of each trip, including starting and ending mileage, the purpose of the trip and/or destination and the supervisor’s signature.”

## **b) Maintenance and Repair**

For the audit period, Maintenance and Repair expenses for MHC 1, 2 and 3 were \$25,391. We tested five transactions totaling \$9,442 and noted that all expenses were appropriate and items repaired were not covered under an existing warranty.

However, we noted that the MHC used an outside vendor for the majority of maintenance and repairs instead of utilizing FIU Vehicle Services. \$22,164 (87%) of the expenses was from outside vendors and \$3,227 (13%) was from the FIU Vehicle Services. According to University Policy Number 540.005, *Acquisition, Assignment and Use of University Vehicles*, “All Florida International University owned vehicles are required to be serviced by FIU Vehicle Services third party provider as per a set maintenance schedule as posted on the Vehicle Services’ website.”

Per discussion with management, the MHC was allowed by Vehicle Services to use an outside vendor since the vans had specialty needs (towing, car wash, septic services, etc.) that they were unable to service during that time.

## **c) Patient Data**

We reviewed the Monthly Encounter and Appointments reports from the EMR system (Centricity). The reports represented approximately 2,040 patient encounters for the MHC during fiscal year 2014-15. We examined a sample of five months, totaling 530 patient encounters, which disclosed the following:

- There was a difference in the two reports in the total number of patients seen each month, as well as the providing physician. The difference ranged between 1 to 9 patients.
- The appointment type (new, established, lab, etc.) was not specified for 39 out of 530 (7%) of the patients.
- The appointment status (completed, no-show, cancel, etc.) was not entered for 5 out of 530 (1%) of the patients reviewed.

Furthermore, we selected 25 patients of the 530 encounters and reviewed medical records to determine if all qualifications were met and if the visit was properly

documented. Our testing revealed that 100% of patients tested were part of NeighborhoodHELP™, had a signed General Consent form and an Acknowledgment of Receipt of Notice of Privacy Practices on file; thus, all qualifications were met for the patient to be seen on the MHC.

However, we also noted the following:

- Service orders were not present in the medical record to document the clinical treatment provided to the patient on a particular date of service for 4 out of 25 patients (16%) tested; and
- The providing physician was not correct for one patient. The patient was listed as being seen by the physician, although services were actually performed by the nurse, per the clinical documentation.

Per discussion with the Clinical Practice Manager, the difference in the reports could be due to timing issues of when they were obtained. In addition, he stated that most of these things were noticed when he began performing a monthly reconciliation and quality review of the records. Since then, the Department has implemented a process to capture, correct and train staff when these types of errors occur.

Inadequate patient data affects the Department's ability to accurately report the number of patients seen and may impact performance measure requirements and the ability to receive future funding.

#### **d) Emergency Medical Technician/Drivers**

We tested five employees who operate the MHC to ensure the appropriate pre-employment qualifications were met and that their Emergency Medical Technician (EMT)/Paramedic licenses were current. We determined that all requirements were properly obtained for each employee and no exceptions were noted.

#### **e) HIPAA and Security Awareness Training**

We selected 23 employees who have access to patient data on the MHC to determine if they received the proper HIPAA and Security Awareness training. Our testing revealed that all of them (100%) had successfully taken both training courses during our audit period.

#### **f) Third Party Contracts**

We reviewed four third-party contracts and determined that three of them had a business associate agreement, as required. Per the Associate General Counsel, Legal Office for Health Affairs, a business associate agreement for the fourth contract was not necessary since the company is a covered entity in its own right.

**g) Other**

During the audit, we observed that the MHC did not maintain inventory of medical supplies and prescription pads; safety signage was not displayed on MHC 3; and there was no indication of when the silent alarms in the vans were last tested.

**Recommendations**

The Mobile Health Center should:	
2.1	Ensure that use of the van is adequately documented.
2.2	Continue their quality review process to timely identify and correct errors in patient documentation to ensure accuracy of data.
2.3	Develop a process to track purchases of medical supplies and prescription pads and document when alarms are tested. Also ensure the proper safety signage is displayed on MHC 3.

**Management Response/Action Plan:**

- 2.1 The HHS Department had the following in place for MHC 1-3 to ensure the use of the vans is adequately documented:
- a) The EMT/Driver is to complete the vehicle log as part of the Mobile Health Center (MHC) Daily Operating Protocol.

In order to ensure compliance with University Policy Number 540.005, the following additional steps have been implemented:

- b) The MHC Operations Manager will review the vehicles logs on a weekly basis to ensure accuracy.
- c) For MHC 4, a vehicle trip log has been implemented to document "local" driving. Local driving is done monthly to ensure the viability of the battery and engine on the vehicle. Please note the unaccounted mileage for MHC 4 was for local driving.

Implementation date: Immediately

- 2.2 The HHS Department had implemented the following in order to timely identify and correct errors on a weekly basis in provider (physician, clinical support staff, and registration staff) documentation in patient charts to ensure accuracy of data:
- a) The NHELP Clinical Practice Manager reviews the Billing function in Centricity one to two times per week.
  - b) If there are errors in registration, errors in service charges, or no service charges were entered, the billing tickets will not process and remain as pending tickets, which indicate to the NHELP Clinical Practice Manager that there is an issue with the particular encounter.
  - c) The NHELP Clinical Practice Manager identifies the error, with the help of the system, and either makes the change or sends notification to the responsible person via email (i.e., registration staff, clinical support staff, or providers) to make the changes.
  - d) The email will include a screen shot of the error and/or a step-by-step PDF on how to correct the changes.
  - e) The MHC Clinical Director is copied on all emails to providers and the respective supervisor is copied for clinical support staff and registration staff.

Implementation date: Immediately

- 2.3 The HHS Department has implemented the following processes:

- a) Tracking of Prescription Pads: Providers on the MHCs are encouraged to utilize electronic prescriptions as much as possible; electronic prescriptions are directed to a specific pharmacy. However, many patients request paper prescriptions due to the fact they search pharmacies for the most reduced cost. In order to track paper prescriptions, we have initiated prescriptions with carbon copy in order to track all prescriptions written.
- b) Tracking of Panic Alarm Testing: Panic Alarm documentation logs are located on each MHC; staff are to test panic buttons on a monthly basis.
- c) Tracking of Medical Supplies: The MHC will work with HCN to establish processes to track medical supplies.

Implementation date: Immediately

The following will be implemented for display of proper signage:

- d) Display of Proper Signage: Safety Signage for MHC3 (No money, No narcotics on board) was ordered on May 4, 2016; we are awaiting delivery.

Implementation date: August 15, 2016