



OFFICE OF INSPECTOR GENERAL REPORT

REVIEW OF AGREEMENTS WITH UNIVERSITY OF FLORIDA AT THE FLORIDA DEPARTMENT OF HEALTH IN DUVAL COUNTY

Report # R-1213DOH-019
October 31, 2013

EXECUTIVE SUMMARY

Purpose of this project:

Management requested that we identify and review all contractual and other written agreements between the Florida Department of Health (the Department) in Duval County (DOH-Duval) and University of Florida (UF or Provider) to sufficiently understand the working relationships between the two entities, and the role played by DOH-Duval's Institute for Public Health and Informatics Research.

What was reviewed:

We reviewed the three contracts for placing UF physicians in DOH-Duval clinics (in addition to DOH-Duval's own physicians), and a fourth contract for the Provider to perform HIV testing in Shands-Jacksonville's Emergency Room. We also reviewed 12 Memorandums of Agreement (MOAs) with UF for various services performed, including an MOA with UF associated with the Institute for Public Health and Informatics Research.

What was found:

- ❖ DOH-Duval's Institute for Public Health and Informatics Research does not appear to directly support the Department's core mission, costing a significant amount of General Revenue funds to complete the requirements of grants received from federal, local, and private sources.
- ❖ Some salaries related to the Institute for Public Health and Informatics Research were not appropriately charged to a federal grant.
- ❖ Grant expenditures were not reported for inclusion in the *Schedule of Expenditures of Federal Awards* (SEFA).
- ❖ The actual documentation process for DOH-Duval's contracted physicians to request leave and report time worked differed from contract requirements.
- ❖ Administrative hours worked by DOH-Duval's contracted physicians exceeded the number of hours allowed by the contract.
- ❖ DOH-Duval did not receive documentation of in-kind contributions stipulated in two MOAs with UF for placement of AmeriCorps Program members. A third MOA with UF for placement of AmeriCorps Program Members did not stipulate that in-kind contributions must be reported to DOH-Duval.
- ❖ DOH-Duval paid UF for physicians' hours that were not worked.

What is being recommended:

DOH-Duval management should:

- ❖ Re-examine the purpose and continued operation of the research department known as the Institute for Public Health and Informatics Research, in light of revenue streams that have consistently been insufficient to fully fund the program. Should management conclude to continue the Institute, there should be a defined purpose for the Institute that aligns with the mission of the Department and revenues should be sufficient to operate the program.

DOH-Duval financial managers should:

- ❖ Ensure accurate accounting for all grants. Each grant should be individually tracked for reporting purposes in keeping with the terms and conditions of most grants.
- ❖ Verify the population of all federal awards and sub-awards received. Expenditures related to each award should be reported to Central Office for inclusion in the State of Florida's SEFA.

DOH-Duval clinic operations management should:

- ❖ Require and implement a more formal, documented process of receiving planned leave requests and last-minute notifications of leave of physicians that is uniformly followed by all physicians and DOH-Duval staff related to each contract.

(The *Executive Summary* continues on next page.)

DOH-Duval contract management should:

- ❖ Amend contract language to accurately reflect and explain DOH-Duval's requirements and expectations for its contracted physicians. The Provider's performance measures should be amended to include only those outcomes and outputs that are expected to be performed.
- ❖ Receive from the respective clinic director prior written notification of approval of administrative time worked in excess of limits set by the contract.
- ❖ Adjust a future contract payment to account for the time reporting and payment errors in Contract DV351 between October 3, 2012 and February 13, 2013.

DOH-Duval program staff responsible for the AmeriCorps Program should:

- ❖ Obtain and maintain documentation of all contributions, including third party in-kind contributions. AmeriCorps Program MOAs should each specify the requirement to obtain such documentation.

Details supporting the statements listed in this Executive Summary can be found in the remainder of this report.

BACKGROUND

Management requested that our office review certain topics related to operations and programs at the Florida Department of Health (the Department) in Duval County (DOH-Duval). The results of our review regarding most of the topics were published under a previous report (R-1213DOH-017 – *Review of Duval County Health Department*).

One of the topics not addressed in the previous report was contractual and other written agreements between DOH-Duval and UF. This report addresses the results of our review specific to this topic.

We identified three contracts for placing UF physicians in DOH-Duval clinics (in addition to DOH-Duval's own physicians), including infectious disease services, pediatric physician services, and women's health services. A fourth contract was a federal sub-award grant to UF to perform HIV testing in Shands-Jacksonville's Emergency Room.

The contracts for physicians were originally awarded when Jeffrey Goldhagen, MD, was DOH-Duval's Director. He was simultaneously a UF employee while serving as DOH-Duval's Director, and continues as a UF employee today. The Department also separately contracts with Managed Access to Child Health, Inc. that subcontracts with UF to place Dr. Goldhagen as the Primary Care Medical Director and also as the Physician Consultant of the Jacksonville Children's Medical Services (CMS) Area Office.

As the Provider's Division Director of Community Pediatrics, Dr. Goldhagen continues to meet monthly in the DOH-Duval setting with the pediatricians under Contract DV351.

DOH-Duval also entered into MOAs with UF for various services including:

- Two MOAs for UF obstetricians with privileges at certain local hospitals to provide labor and delivery services at those hospitals for DOH-Duval clients and also provide obstetric clinics at certain DOH-Duval clinics.
- Three MOAs with UF College of Medicine to place AmeriCorps Program members at UF's College of Medicine-Jacksonville and Shands Jacksonville Medical Center.
- Two MOAs for UF and Shands Jacksonville Medical Center to provide screening and diagnostic services to Florida Breast and Cervical Cancer Early Detection Program clients referred by DOH-Duval.
- Two MOAs to place DOH-Duval Dietetic Services Program students in internships at Shands-Jacksonville and Shands-Gainesville.
- Three MOAs related to the Integrated Care System for Children's Medical Services managed care, including DOH-Duval as a Dental Care Provider, a Primary Care Provider, and as a Specialty Care Provider.

FINDINGS AND RECOMMENDATIONS

The following findings reflect areas that should be addressed by management to help improve efficiencies in spending and accountability at DOH-Duval:

Finding 1: DOH-Duval’s Institute for Public Health and Informatics Research does not appear to directly support the Department’s core mission, costing a significant amount of General Revenue funds to complete the requirements of grants received from federal, local, and private sources.

DOH-Duval developed a research department approximately 16 years ago under the management of then-Duval County Health Department Director Jeffrey Goldhagen, MD. Originally known as the Health Policy and Evaluation Research Program, the name was changed to the Institute for Public Health and Informatics Research (Institute).

The Department’s *Implementation Report* [Report] to 2012 House Bill 1263 recalls that, “[i]n 2010, the Florida Legislature directed the Department to evaluate the efficiency and effectiveness of its operations.” The Report explained that, “the [Department] comprehensively reviewed its organizational structure and its delivery of public health services, focusing on achieving maximum efficiency, effectiveness and sustainability.” The Report describes that two fundamental concepts were established for the Department’s success, “(1) a clear organizational mission: and (2) a culture of accountability and performance excellence.” The Report further explains that, “[t]hrough the elimination...of programs peripheral to public health, the Department has been able to concentrate more clearly on its public health mission.”

Section 154.01, *Florida Statutes*, authorizes county health department (CHD) services to include three levels of service and funding: environmental health services; communicable disease control services; and primary care services. Individual CHDs developing their own offices for research does not appear to directly support the services authorized by the Florida Legislature.

Additionally, DOH-Duval expended large amounts of funds to subsidize the Institute. The following table illustrates the losses incurred by the Institute over the last three years:

	July 2010 through June 2011	July 2011 through June 2012	July 2012 through April 2013
Grant Revenues	\$309,170	\$180,387	\$49,049
Expenditures	684,949	526,620	291,822
Revenues over (under) Expenditures	(\$375,779)	(\$346,233)	(\$242,773)

More recently, the Institute has funded the costs of completing the requirements of grants received from federal, local, and private sources in large part with state funds known as non-categorical General Revenue. This is funding that could be used to increase direct service to DOH-Duval’s clients or to fund deficits DOH-Duval faces in its overall budget.

We recommend Duval CHD management re-examine the purpose and continued operation of the research department known as the Institute for Public Health and Informatics Research, in light of revenue streams that have consistently been insufficient to fully fund the program. Should management conclude to continue the Institute, there should be a defined purpose for the Institute that aligns with the mission of the Department and revenues should be sufficient to operate the program.

Management’s Response: We concur. The Institute for Public Health and Informatics Research (Institute) no longer exists in its previous capacity. A new division, the Office of Performance Improvement (OPI), has been created to provide internal support throughout the entire organization. OPI programs include the Compliance Office, Health Policy and Planning, Medical Quality Assurance, Statistics and Research and Public Health Assessment. The new projects that are housed with OPI include Public Health Accreditation,

DOH Quality Improvement Initiatives, Clinic/Program Needs Assessment, and Quality Assurance. The remaining projects from the original Institute are solely funded by grants and not by General Revenue.

Anticipated Completion Date: November 1, 2013

Finding 2: Some salaries related to the Institute for Public Health and Informatics Research were not appropriately charged to a federal grant.

Two staff members employed under the Institute were budgeted to be paid by and worked on a federal sub-award grant from the University of Pennsylvania. DOH-Duval financial staff established in the Florida Accounting Information Resource (FLAIR) the Other Cost Accumulator (OCA) NIHIR-NIH Grant-HIV Prevention/Intervention Research to identify federal revenues and expenditures related to the grant. DOH-Duval financial staff did not charge the employees' salaries to this OCA, but rather charged the employees' salaries to the OCA NCGRV-CHD General Revenue Non-Categorical (state funds).

We recommend DOH-Duval financial managers ensure accurate accounting for all grants. Each grant should be individually tracked for reporting purposes in keeping with the terms and conditions of most grants.

Management's Response: We concur. DOH-Duval's Budget Office (BO) will work with all programs on a monthly basis to identify salaries and other expenditures with outside funding. The BO will then associate those salaries and other expenditures with the appropriate OCA. In addition, the BO will develop a procedure that will reconcile and monitor all OCAs on a quarterly basis to make sure that salaries are moved to the appropriate OCA within the fiscal year.

Anticipated Completion Date: October 31, 2013

Finding 3: Grant expenditures were not reported for inclusion in the Schedule of Expenditures of Federal Awards.

The Institute received and expended funds from a federal sub-award grant from the University of Pennsylvania, Catalog of Federal Domestic Assistance (CFDA) Number 93.361. DOH-Duval staff coded the grant's funds and expenditures in FLAIR to OCA NIHIR-NIH Grant-HIV Prevention/Intervention Research. Each year's expenditures from the grant are required to annually be reported to the Department's Central Office for inclusion in the State of Florida's Schedule of Expenditures of Federal Awards (SEFA).

	July 2010 through June 2011	July 2011 through June 2012	July 2012 through April 2013
Expenditures related to the grant	\$51,385	\$39,411	\$40,010

DOH-Duval staff has not been reporting the grant's expenditures to Central Office for inclusion in the SEFA.

We recommend DOH-Duval financial managers verify the population of all federal awards and sub-awards received. Expenditures related to each award should be reported to Central Office for inclusion in the State of Florida's SEFA.

Management's Response: We concur. DOH-Duval's Budget Office (BO) will establish a policy/procedure to ensure all SEFA funds be reported to Central Office. Any funding that comes into the agency (DOH-Duval) will be screened by the BO. The BO will contact the funding source to determine if the funding is federal or non-federal. The funding source will have to provide documentation. In addition, DOH-Duval's grant routing sheet, Form 9-2013, has been updated and asks whether or not the funds are from a federal source.

Anticipated Completion Date: October 31, 2013

Finding 4: The actual documentation process for DOH-Duval's contracted physicians to request leave and report time worked differed from contract requirements.There was no formal process to receive leave requests or notification of leave due to sickness

Contract language required all leave requests to be submitted to DOH-Duval in writing. Language in Contract DV350 required that, "[r]outine clinic schedule changes including leave request must be submitted to [DOH-Duval] in writing at least thirty (30) days prior to the change date. Emergent schedule changes will be reviewed on a case by case basis." Language in Contract DV351 required that in a written document, "[t]he Provider shall notify [DOH-Duval] of routine clinic schedule changes in the staffing plan and coverage at least thirty (30) days prior to the requested change data and all other requests will be considered on a case by case basis."

DOH-Duval staff responsible for receiving e-mail requests from physicians under Contract DV350 explained that no one process is consistently followed when the Provider's physicians want to request leave or call to report being sick or other last-minute inability to report for work. DOH-Duval staff may receive notification by e-mail or may receive a phone call. There was no formal process for who the physician calls or how the person receiving the call notifies the clinic so that clients may be notified and re-scheduled.

We performed a detailed review of documentation related to Contracts DV350, DV351, and DV352 during this review to determine whether the Provider's physicians requested leave timely. DOH-Duval staff in the Office of Clinical Practice and Quality Management often received e-mail requests from physicians under Contracts DV350, DV351, and DV352 requesting any leave. However, we identified that DOH-Duval staff responsible for receiving initial written notification of leave could not document always receiving a written notification from the Provider's physicians. There were numerous occasions where physicians made last-minute notification of being sick. We did not hold these instances to the 30 day rule during our testing review.

Department timesheets and EARS forms are no longer completed

Contracts DV350, DV351, and DV352 were originally written prior to the implementation of the State of Florida's People First, a web-based Human Resource Information System used to record State employees' time. The *Provider Time and Productivity Tracking System* (Productivity System) was developed so that contracted physicians at DOH-Duval clinics could record the dates and time worked. DOH-Duval's contract manager reviews reports of each physician's time from the Productivity System and transmitted these to the Provider. The Provider used these same reports to invoice the Department.

Contract language still explained the Provider's physicians must complete a timesheet and Employee Activity Report (EARs) on a daily basis. Language in Contract DV350 required that the, "Provider's Physicians must complete a [DOH-Duval] time sheet, ...[and] must complete and submit Employee Activity Report (EAR[s]) on a daily basis". Additionally, as a performance output, "[o]ne hundred percent (100%) of the Provider's Physicians Employee Activity Report (EAR[s]) is accurate and submitted on a timely manner". Language in Contract DV351, stipulated that "[t]he Provider's physician must complete a [DOH-Duval] time sheet and submit to the Department supervisor within three (3) business days after the pay period ends." Additionally, as a performance output: "[o]ne hundred percent (100%) of timesheets approved by [the Clinic Medical Director] CMD shall meet Department requirements."

Language in Contract DV350 explained that, "[t]he Department shall review all [DOH-Duval] timesheets and forward to Provider within three (3) business days after the Department receives completed timesheets for Provider's physicians for said pay period." Language in Contract DV351 explains that, "[t]he Department shall complete review and approval of [DOH-Duval] Provider's physician timesheets and forward to Provider's billing office within three (3) business days after the Provider's physician submits his or her timesheet."

However, we received confirmation from clinic staff responsible for coordinating the Provider's physicians that the Department's timesheets and Employee Activity Reports (EARs) are no longer completed by the Provider's physicians under Contracts DV350 and DV351.

We recommend DOH-Duval contract management amend contract language to accurately reflect and explain DOH-Duval's requirements and expectations for its contracted physicians. The Providers' performance measures should be amended to include only those outcomes and outputs that are expected to be performed.

Management's Response: We concur. The contract will be amended to reflect the current process and then it will be forwarded to all parties involved.

Anticipated Completion Date: November 15, 2013

We recommend DOH-Duval clinic operations management require and implement a more formal, documented process of receiving planned leave requests and last-minute notifications of leave of physicians that is uniformly followed by all physicians and DOH-Duval staff related to each contract.

Management's Response: We concur. A memorandum will be sent to all providers regarding leave requests and unexpected absences. The current contract states that the clinician will complete a Florida Department of Health timesheet which the clinician currently submits through the Productivity System. This timesheet will be approved by the business manager in each center.

Anticipated Completion Date: October 31, 2013

Finding 5: Administrative hours worked by DOH-Duval's contracted physicians exceeded the number of hours allowed by the contract.

The Provider's physicians were required to complete scheduled clinic hours providing medical services to DOH-Duval's clients. The physicians were also allowed administrative hours to complete chart reviews, chart documentation, prescription renewals, patient follow-up and similar work.

Language in Contract DV350 limited administrative hours explaining, "[m]edical administrative time for the Adult Clinical Services shall not exceed fifteen per cent (15%) of the Provider's physician time work unless otherwise directed by the Department's Medical Director or designee."

According to data compiled by DOH-Duval's contract manager, a physician's administrative time charged to Contract DV350 since July 1, 2012 averaged 16.67%, exceeding the maximum 15% allowed.

DOH-Duval's contract manager did not receive documentation of prior written approval of excess administrative time, but assumed administrative time in excess of limits set by the contract was approved by DOH-Duval clinical operations. DOH-Duval management explained that these types of issues are discussed in quarterly meetings with UF. If an issue were to remain uncorrected it is noted during contract programmatic monitoring with notification provided to UF.

We recommend DOH-Duval contract management receive from the respective clinic director prior written notification of approval of administrative time worked in excess of limits set by the contract.

Management's Response: We concur. DOH-Duval will develop a process for contracted physicians to request approval prior to working more than the [current] 10% administrative hours.

Anticipated Completion Date: October 31, 2013

Finding 6: DOH-Duval did not receive documentation of in-kind contributions stipulated in two MOAs with UF for placement of AmeriCorps Program members. A third MOA with UF for placement of AmeriCorps Program members did not stipulate that in-kind contributions must be reported to DOH-Duval.

DOH-Duval entered into three MOAs with the Provider to place AmeriCorps Program members in either UF's College of Medicine-Jacksonville or Shands Jacksonville Medical Center.

Two of the agreements, each with UF's College of Medicine, appropriately required that the Provider, "prepare and submit quarterly statement[s] using the form or format provided to it by [DOH-Duval] to itemize the value of in-kind contributions." However, DOH-Duval did not obtain the quarterly statements reporting the in-kind contributions stipulated in the MOA.

The third agreement (with Shands Jacksonville Medical Center) failed to include the same language requiring that the Provider submit quarterly statements to itemize the value of in-kind contributions. Therefore, quarterly statements that report in-kind contributions were also not obtained by DOH-Duval for the third agreement.

Code of Federal Regulations, Title 45, Part 2521, *Corporation for National and Community Service*, §2521.45(b)(2), requires that, "[c]ontributions, including third party in-kind must be verifiable from your records."

We recommend DOH-Duval program staff responsible for the AmeriCorps Program obtain and maintain documentation of all contributions, including third party in-kind contributions. AmeriCorps Program MOAs should each specify the requirement to obtain such documentation.

Management's Response: We concur. DOH-Duval will write a letter requesting the required documents that itemize the value of in-kind contributions for the previous MOAs. The AmeriCorps Program is no longer housed with DOH-Duval.

Anticipated Completion Date: October 31, 2013

Finding 7: DOH-Duval paid UF for physicians' hours that were not worked.

We performed a detailed examination of documentation related to Contracts DV350, DV351, and DV352 during this review to determine the accuracy of the Provider's physicians' hours reported as worked and paid.

Contract DV351 explained, "[t]he Department shall pay the Provider...for the delivery of service units provided."

DOH-Duval clinic staff responsible for reviewing and approving hours worked did not notice that four administrative hours were claimed by the Provider's physicians in addition to eight hours of patient time. This occurred three times during the time period October 3, 2012 through February 13, 2013, which amounted to 12 additional hours that totaled \$1,359 (\$453.05 per 4 hour unit x 3 units). On January 2, 2013, a physician claimed four hours of clinic time when not present. In total, sixteen additional hours were charged, amounting to \$1,812.20 (\$453.05 per 4 hour unit x 4 units) paid to physicians for services not actually performed.

We recommend DOH-Duval contract management adjust a future contract payment to account for the time reporting and payment errors in Contract DV351 between October 3, 2012 and February 13, 2013.

Management's Response: We concur. The contract DV351 expired June 30, 2013 and the reconciliation period (45 days) has past, however we will request an adjustment on a future invoice. DOH-Duval will develop a process that will ensure that overpayment does not happen. The business manager at each

center will review and verify physician timesheets. A comparison between physician's timesheet with service provided and/or time worked at the clinic will be evaluated. Any discrepancies will have to be reconciled before time sheets are approved and sent for payment.

Anticipated Completion Date: November 15, 2013

SUPPLEMENTAL INFORMATION

Section 20.055, *Florida Statutes*, charges the Department's Office of Inspector General with responsibility to provide a central point for coordination of activities that promote accountability, integrity and efficiency in government. Audits are conducted to review and evaluate internal controls necessary to ensure the fiscal accountability of the Department.

The review was conducted by Mark H. Boehmer, CPA, Senior Management Analyst II, under the supervision of Michael J. Bennett, CIA, Director of Auditing.

Our methodology included interviews with management and staff. We reviewed all known written agreements between DOH-Duval and UF. We also performed detailed testing of time-keeping documentation and clinic schedules related to UF physicians in DOH-Duval clinics.

This project was not an audit, as industry-established auditing standards were not applied. Internal Audit Unit procedures for the performance of reviews were followed and used during this project.

The University of Florida was provided an opportunity to respond to Findings 4 through 7 pursuant to Section 20.055(5)(e), *Florida Statutes*. A response, received after the time allotted, may be found as Attachment I of this report.

CLOSING COMMENTS

We want to thank management and staff of the DOH-Duval for providing their cooperation and assistance to us during the course of this review.

Copies of final reports may be found on our website at: www.doh.state.fl.us/ig/Audit.htm

Questions or comments related to the information provided in this report should be addressed to the Director of Auditing, Florida Department of Health by the following means:

Address: 4052 Bald Cypress Way, Bin A03,
Tallahassee, FL 32399

Email: InspectorGeneral@doh.state.fl.us

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October 16, 2013

Mark H. Boehmer, CPA
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Office of Inspector General
4052 Bald Cypress Way, Bin A-03
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via electronic mail only

RE: Response to Preliminary and Tentative Findings
regarding DV350, DV351, DV352 & AmeriCorps

Dear Mr. Boehmer:

Thank you for forwarding the Preliminary and Tentative Findings. The University of Florida is unable to meaningfully respond to the letter without more detailed information as to the basis of the preliminary and tentative findings.

Best Regards

A handwritten signature in black ink, appearing to read 'FS', written over a horizontal line.

Frederic Skinner, JD, MBA
Director, Contract Services
College of Medicine-Jacksonville
University of Florida

Audit staff subsequently contacted University of Florida to offer an opportunity to provide additional information upon request. No additional information was requested.