

Mission:

To protect, promote & improve the health of all people in Florida through integrated state, county & community efforts.



Ron DeSantis
Governor

Joseph A. Ladapo, MD, PhD
State Surgeon General

Vision: To be the Healthiest State in the Nation

January 6, 2023

Joseph A. Ladapo, MD, PhD
State Surgeon General
4052 Bald Cypress Way, Bin A-00
Tallahassee, Florida 32399

Dear Dr. Ladapo:

Enclosed is our internal review report # R-2122-002, *Review of General Controls at CHDs - 2022*. This report provides a summary of significant issues noted during an independent evaluation of 10 county health departments (CHDs) during the months of April through September 2022. Included in this review were general controls and requirements related to the following topics: server room security and environmental controls; system access to information resources; information technology resource management; disaster recovery; cash controls; purchasing; pharmaceuticals; security of safety paper; client incentives; biomedical waste policy; patient privacy rights; retention, archiving, and disposition of records; building safety and physical security; storage buildings; and panic button(s).

The review team making visits to CHDs included Ashlea K. Mincy, CIGA, Assistant Director of Auditing; Miranda Arnoldy, CIGI, Senior Management Analyst II; Shannon Egler, Senior Management Analyst II; and Janet Compton, Senior Management Analyst II, under the supervision of Mark H. Boehmer, CPA, Director of Auditing.

Management agreed with the finding identified in the report. We will provide you a status update in six months detailing the progress management has made toward addressing the proposed corrective action included in Appendix A of the report.

If you wish to discuss the report, please let me know.

Sincerely,

Michael J. Bennett, CIA, CGAP, CIG
Inspector General

MJB/akm
Enclosure

cc: Melinda M. Miguel, Chief Inspector General, Executive Office of the Governor
Samantha Perry, CPA, Office of the Auditor General
Mark Lander, Interim Deputy Secretary for County Health Systems



REVIEW OF GENERAL CONTROLS AT CHDs - 2022

Report # R-2122-002 • January 6, 2023

Purpose of this project:

Review general controls related to a variety of regulatory and policy requirements at selected county health departments (CHD), help local CHD management identify areas where improvements could be made, and identify to Central Office management systemic and/or critical weaknesses that should be addressed from a comprehensive perspective.

What we examined:

We visited 10 CHDs between April and September 2022 to analyze selected controls in place as of the date of our site visit. Our visits included the Department of Health (Department) offices in the following counties: Alachua, Baker, Columbia, Lafayette, Leon, Nassau, Pasco, Suwannee, Taylor, and Union.

We reviewed general controls and requirements related to the following topics: server room security and environmental controls; system access to information resources; information technology resource management; disaster recovery; cash controls; purchasing; pharmaceuticals; security of safety paper; client incentives; biomedical waste policy; patient privacy rights; retention, archiving, and disposition of records; building safety and physical security; storage buildings; and panic button(s).

Intent of this Report:

This report provides summary information and contains only the issues we identified with high frequency or were considered critical.

We discussed with individual CHD management where improvements could be made specific to their facility(ies), and provided a detailed report at the conclusion of each visit. We did not request a corrective action plan from each individual CHD. Central Office management and CHD management may use this information to further evaluate whether controls are working effectively.

Summary of results:

We are pleased to report we generally observed well-designed processes and effective controls during our visit to each CHD in the following areas: server room temperatures were appropriately regulated; pharmaceutical storage areas were locked with reliable locking systems; pharmaceuticals were stored in clean, well-lighted, and adequately ventilated rooms; pharmaceuticals requiring refrigeration or freezing were properly maintained; unused computer equipment was securely stored; security cameras were properly positioned, captured a clear image, and stored the images for a reasonable amount of time; and employee and client access control throughout the facility were appropriate to mitigate safety issues and information disclosure.

Listed in the “Control Weaknesses and Recommendations” section below are the controls we identified that warrant further review by management. Management’s response to the issues noted in this report may be found in **Appendix A**.

CONTROL WEAKNESSES AND RECOMMENDATION

The following issues reflect areas Central Office management and CHD management should discuss to assist in future evaluation and control improvements to help ensure more uniform compliance with state regulations and/or Department policies and procedures, and reduce risks to the Department. Some issues noted are recurring issues mentioned in previous CHD review reports issued by the Office of Inspector General (OIG). Management should pay particular attention to these recurring issues to ensure corrective actions are taken.

1. Various general controls were found to be deficient or non-existent within the 10 CHDs visited.

Secured Areas

- **The designated secured areas were not documented in the local information security and privacy procedures at two of 10 CHDs tested.**
Department Policy (DOHP) 50-10.3-16, Information Security and Privacy Policy 3, *Secured Areas and Physical Security*, (DOHP 50-10.3-16) “Each designated secured area shall be documented in the local information security and privacy procedures.”
- **Access Control Lists (ACL) were not prominently placed at the entry way of each secured area at three of 10 CHDs tested.**
DOHP 50-10.3-16 explains “ACLs identifying authorized personnel shall be prominently placed at the entry way of each secured area. General use computer rooms, such as a training or ‘resource room’ are not required to have a posted ACL.”
- **Individuals granted temporary or occasional access to secure areas that are not listed on the ACL were not required to record their signature, date, time in and out, the purpose of entering the room, and the description of items taken from the secure area at two of 10 CHDs tested.**
DOHP 50-10.3-16 explains “Persons having temporary or occasional authorized access, but are not on the list, must record their signature, data, time in and out, the purpose of entering the room, and description of any items taken from the secured area.”

Pharmaceuticals

- **Duties for ordering, receiving, distributing, and inventorying drugs were not segregated to the greatest extent possible at three of 10 CHDs tested.**
DOHP-56-14-19, *Internal Control and Review*, explains “CHDs must segregate duties by personnel in ordering, receiving, handling, prescribing, and dispensing pharmaceuticals to ensure that no one person controls pharmacy processes from beginning to end.”

- **A minimum of two personnel did not verify shipment and certify receipt of pharmaceuticals at five of 10 CHDs tested.**
DOHP-395-1-19, *Public Health Pharmacy Policies and Procedures for County Health Departments* (DOHP-395-1-19) explains “Upon receiving drugs from the [Bureau of Public Health Pharmacy (BPHP)], or an order placed with BPHP but shipped by the wholesaler or manufacturer...At a minimum, two (2) DOH personnel shall verify the shipment and certify the receipt.”
- **Expired drugs were not returned to BPHP at least monthly at four of 10 CHDs tested.**
DOHP-395-1-19 explains “Outdated pharmaceuticals should be returned at least monthly.”
- **Unclaimed client specific filled prescriptions were not returned to BPHP within 90 days at four of 10 CHDs tested.**
DOHP-395-1-19 explains “Medications dispensed to a specific client by any pharmacy...and thus having become the personal property of that client may...[not]...be entered or reentered into a CHD pharmaceutical inventory...All unclaimed pharmaceuticals obtained from BPHP must be returned through the [*Pharmaceutical Forms System*] to PBHP within 90-days.”
- **Expired drugs were still available for dispensing to clients at six of 10 CHDs tested.**
DOHP-395-1-19 explains “Expiration dates for pharmaceuticals will be checked in CHDs without a licensed pharmacy at least monthly...Outdated pharmaceuticals should be returned at least monthly.”

Patient Privacy Rights

- **A Notice of Privacy Practices was not prominently displayed in the waiting room/lobby at two of 10 CHDs tested.**
DOHP 50-10.5-16, Information Security and Privacy Policy 5, *Patient Privacy Rights*, explains “A *Notice of Privacy Practices* must be prominently displayed by each Covered Entity.”
- **An outdated version of the *Initiation of Services* form (IOS) was used at four of 10 CHDs tested. The current IOS version is dated February 2022. The four CHDs were using versions from November 2008, May 2015, September 2019, and February 2020.**
DOHP 50-10.4-16, Information Security and Privacy Policy 4, *Data Classification and Protection*, explains “Patient medical information may be shared with outside entities for payment processing and operations, provided the patient has completed the IOS.”
DOHP 50-10.5-16, Information Security and Privacy Policy 5, *Patient Privacy Rights*, explains “Receipt of the privacy notice shall be documented on the IOS, and kept in the client’s medical record or maintained electronically.”

System Access to Information Resources

- **Unsecured client Personally Identifiable Information and/or Protected Health Information was visible at four of 10 CHDs tested via computer screens visible to the public.**
DOHP 50-10.4-16, Information Security and Privacy Policy 4, *Data Classification and Protection*, explains “Access to the health record and health information is limited to those with a documented ‘need to know’, such as...[p]ersons responsible for documentation and management of the patient’s care (nurses, doctors, nutritionists, etc.)”

Cash Handling

- **Monetary collections were not deposited by the close of business the next business day at three of 10 CHDs tested.**

DOHP-56-14-19, *Internal Controls and Review*, explains “Collections must be deposited daily, or no later than the following business day.”

Other

- **Semi-annual safety inspections were not conducted at two of 10 CHDs tested.** Internal Operating Procedure 250-16-18, *Safety and Loss Prevention Program Requirements*, explains “The local safety coordinator is responsible for...[c]onducting semi-annual safety inspections and reporting results to upper management and central office.”

We recommend Office of Deputy Secretary for County Health Systems management discuss these areas of concern with all CHDs and take actions deemed appropriate to improve statewide operations.

SUPPLEMENTAL INFORMATION

Section 20.055, Florida Statutes, charges the Department’s OIG with responsibility to provide a central point for coordination of activities that promote accountability, integrity, and efficiency in government.

The review team making visits to CHDs included Ashlea K. Mincy, CIGA, Assistant Director of Auditing; Miranda Arnoldy, CIGI, Senior Management Analyst II; Shannon Egler, Senior Management Analyst II; and Janet Compton, Senior Management Analyst II, under the supervision of Mark H. Boehmer, CPA, Director of Auditing.

Our methodology included reviewing applicable law, policy and procedure, and visiting selected CHDs to interview personnel, inspect facilities, observe operations, and review documentation.

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. This project was conducted in compliance with Quality Standards for Inspections, Evaluations, and Reviews by Offices of Inspector General as recommended by *Principles and Standards for Offices of Inspectors General*, Association of Inspectors General.

We want to thank management and staff of each CHD visited for providing their cooperation and assistance to us during this review.

Copies of all final reports are available on our website at www.FloridaHealth.gov (search: internal audit). If you have questions or comments, please contact us by the following means:

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

Email:

inspectorgeneral@flhealth.gov

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850-245-4141

APPENDIX A: MANAGEMENT RESPONSE

	Recommendation	Management Response
1	<p><i>We recommend Office of Deputy Secretary for County Health Systems management discuss these areas of concern with all CHDs and take actions deemed appropriate to improve statewide operations.</i></p>	<p>We concur.</p> <p><i>We will include these findings in the consortia meeting notes for the next round of meetings which will occur in February 2023.</i></p> <p>Contact: Becky Keyes</p> <p><i>Anticipated Completion Date: February 28, 2023</i></p>