



Office of Inspector General  
Internal Audit

**Report No. AHCA-2324-00004-A**  
**January 2024**

**Audit of Health Care Policy & Oversight  
Responses to Federal Audits**

## **EXECUTIVE SUMMARY**

As part of the Agency for Health Care Administration (Agency or AHCA) Office of Inspector General's Audit Plan, Internal Audit conducted an audit of the Division of Health Care & Policy Oversight (HCPO) Responses to Federal Audits.

During the audit, we noted where improvements could be made to strengthen controls in the following area:

- HCPO did not amend Rule 59A-4, Florida Administrative Code (F.A.C.), in accordance with the Agency response to the Health and Human Services (HHS)/Office of Inspector General (OIG) Federal Audit A-04-17-08058 regarding State Emergency Plans. HCPO did not schedule a rule workshop within six months as stated in the Agency response to Federal Audit A-04-17-08058 regarding State Emergency Plan requirements.

The Findings and Recommendations section provides details of the results of the audit. Management responses are included in the Management Response Table on page seven.

## **OBJECTIVES, SCOPE, AND METHODOLOGY**

The objective of the audit was to determine if the Agency instituted corrective actions as indicated in management's responses to the two HHS/OIG Federal Audit Reports A-04-18-08065 and A-04-17-08058.

The scope of this audit focused on Agency management actions in response to the findings and recommendations in Federal Audit Reports A-04-18-08065 and A-04-17-08058.

The methodology for this audit included the following:

- Review of relevant laws, rules, polices, and procedures; and

- Interviews of staff in HCPO and the Bureau of Field Operations (BFO).

## **BACKGROUND**

HCPO is responsible for the oversight of health care providers in Florida. HCPO is responsible for the regulation of 41 types of health care facilities, businesses (providers), managed care organizations, and more than 45,000 facilities/providers including health maintenance organizations, nursing homes, hospitals, assisted living facilities, home health agencies, health care clinics, clinical laboratories, and others. BFO directs facility inspections, which evaluate factors such as management and administration, nursing services, social services, dietary services, laboratory services and compliance with state and federal fire safety codes. It also maintains records of survey deficiencies and completes survey report forms. When deficiencies are found, a report is generated to the facility for corrective action. When necessary, BFO recommends sanctions, fines, and de-certifications. In addition, it helps to develop facility regulations and procedures and carries out certain quality assurance initiatives.

BFO is also responsible for surveyor training, data management and support functions, and develops quality assurance initiatives to improve consistency throughout the field offices. Through eight Field Offices, BFO conducts health care facility and services inspections for all facilities and services licensed or otherwise regulated by the Agency. It also conducts surveys for all providers certified by the Centers for Medicaid and Medicare Services (CMS). The Bureau's Complaint Administration Unit is responsible for the intake and referral to the field offices for the inspections related to consumer complaints and is responsible for oversight of the Agency's Complaint and Information Call Center. The Survey and Certification Support Branch is responsible for staff and provider training, quality assurance activities, and assures compliance with the federal data requirements.

HCPO was audited by HHS/OIG and received findings in Federal Audits A-04-17-08058 and A-04-18-08065.

### **HHS/OIG Audit Report A-04-17-08058**

HHS/OIG published audit report A-04-17-08058 "Florida Did Not Ensure That Nursing Facilities Always Reported Allegations of Potential Abuse and Neglect of Medicaid Beneficiaries and Did Not Always Assess, Prioritize, or Investigate Reported Incidents" in March 2021. The audit report had two findings, listed below.

## Findings from HHS/OIG Audit Report A-04-17-08058

- “HCPO did not ensure that nursing facilities always reported potential abuse or neglect of Medicaid beneficiaries; and”<sup>1</sup>
- “Inadequate incident report processing may have limited the number of onsite surveys HCPO conducted and reduced the reliability of Automated Survey Processing Environment (ASPEN) Complaint/Incidents Tracking System (ACTS) information.”<sup>2</sup>

## Management Responses from HHS/OIG Audit Report A-04-17-08058

HCPO indicated steps which have been taken or had planned to take for addressing the findings and recommendations of the Federal Audit.

- HCPO indicated providers were trained on updated reporting requirements;
- Information regarding reporting requirements is available on the Agency external website;
- Nursing home staff have access to the Quality Safety and Education Portal;
- The Agency will work with CMS to draft revisions for state comment input;
- HCPO modified processes to start entering all reported incidents into the ASPEN Complaints/Incidents Tracking System, to include start/end dates and date/time reports were prioritized;
- HCPO started entering dates/times on when the report is prioritized on the receipt of both the immediate and five-day reports;
- HCPO began entering facility reported incidents in ACTS which resulted in an onsite review;
- HCPO indicated the process for ACTS entry was created in January 2019 and is updated as needed;
- HCPO hired two registered nurse (RN) consultants in 2019, allocated another full-time RN, and will expand field office staff to investigate complaints/incidents;
- HCPO indicated all federal reports are reviewed within two business days of submission with most occurring within one business day;
- ACTS is utilized for every federal report received with a start date and end date;
- Date/time information is added with nurse reviewer’s comments for immediate/five-day reports. If a complaint is generated, the end date recorded in ACTS is changed to date of complaint generation;
- Agency is initiating complaints for facilities failing to submit timely five-day reports when a pattern is identified;

<sup>1</sup> A-04-17-08058, *Florida Did Not Ensure That Nursing Facilities Always Reported Allegations of Potential Abuse or Neglect of Medicaid Beneficiaries and Did Not Always Assess, Prioritize, or Investigate Reported Incidents* (Department of Health & Human Services, Office of Inspector General, 2021), 39.

<sup>2</sup> A-04-17-08058, 40.

- Agency reviews daily complaint intake to ensure an incident report is submitted by the facility;
- If a report is not submitted when it should have been, then the Agency adds information to the complaint, and adds allegation of failure to submit the report;
- The Agency formalized an established written protocol for processing DCF/APS reports;
- Each immediate report received is reviewed with DCF/APS intake reports to ensure information is consistent; and
- HCPO staff include the Florida Safe Family Network intake number/allegations provided to DCF/APS at intake.

We reviewed supporting documentation and determined the Agency implemented corrective actions in accordance with the Agency's management responses.

### **HHS/OIG Audit Report A-04-18-08065**

HHS/OIG published audit report A-04-18-08065 "Florida Should Improve Its Oversight of Selected Nursing Homes' Compliance with Federal Requirements for Life Safety and Emergency Preparedness" in March 2020. The audit had three findings, listed below.

#### [Findings from A-04-18-08065](#)

- "Selected nursing homes did not comply with life safety requirements;"<sup>3</sup>
- "Selected nursing homes did not comply with emergency preparedness requirements; and"<sup>4</sup>
- "State agency monitoring, oversight, and collaboration on State Emergency Preparedness requirements."<sup>5</sup>

#### [Management Responses to A-04-18-08065 audit findings](#)

HCPO indicated steps which have been taken or had planned to take to address the findings and recommendations of the Federal Audit:

- Continued monitoring of the State's survey process, ongoing training, and feedback to staff ensuring review of the implementation of Federal regulations related to emergency preparedness;
- Implementing a new Quality Assurance plan, relating to survey results, which includes requirements of staff who will review Federal Emergency Preparedness findings and training addressing any concerns; and

<sup>3</sup> A-04-18-08065, *Florida Should Improve Its Oversight of Selected Nursing Homes' Compliance With Federal Requirements for Life Safety and Emergency Preparedness* (Department of Health and Human Services Office of Inspector General, 2020), 4.

<sup>4</sup> A-04-18-08065, 10.

<sup>5</sup> A-04-18-08065, 14.

- Proposing amendments to the Florida Administrative Code regarding emergency plans to ensure these updates reflect State Emergency preparedness aligns with new Federal regulations to provide guidance to county emergency management officials.

We reviewed supporting documentation to validate HCPO implemented corrective actions regarding the findings/recommendations of the Federal Audits. We determined HCPO did not amend Rule 59A-4, F.A.C., in accordance with the Agency's management responses.

## **FINDINGS AND RECOMMENDATIONS**

***Finding 1 – HCPO did not amend Rule 59A-4, F.A.C., in accordance with the Agency response to Federal Audit A-04-17-08058 regarding State Emergency Plans. HCPO did not schedule a rule workshop within six months as stated in the Agency response to federal audit A-04-17-08058 regarding State Emergency Plan requirements.***

We reviewed the F.A.C. website to determine if Rule 59A-4, F.A.C., *Minimum Standards for Nursing Homes*, was amended regarding state emergency plans. According to the website, this rule was not amended after the federal audit published date of March 2021. At the time of this audit engagement, there were no recent updates to Rule 59A-4, F.A.C., regarding state emergency plans.

We validated HCPO held rule workshops for Rule 59A-36, F.A.C., *Assisted Living Facility*, on September 8, 2022, and November 29, 2022. According to the F.A.C. website, the Agency completed the updates to Rule 59A-36.019, F.A.C., *Emergency Management*, and Rule 59A-36.025, F.A.C., *Emergency Environmental Control for Assisted Living Facilities*, on November 23, 2023.

### ***Recommendation***

We recommend HCPO begin the process to update Rule 59A-4., F.A.C., *Minimum Standards for Nursing Homes*, regarding state emergency plans.

## **ACKNOWLEDGEMENT**

The Office of Inspector General Internal Audit staff would like to thank management and staff of the Agency's Division of Health Care Policy & Oversight, Bureau of Field Operations for their assistance and cooperation extended to our Office during this engagement.

## PROJECT TEAM

The audit was conducted and supervised by:

- Angel Perez, Senior Management Analyst II;
- Jeanie Walker, CIGA, MBA, Senior Management Analyst Supervisor;
- Karen Preacher, CIA, CFE, CIGA, Audit Director; and
- Brian P. Langston, CIG, CIGA, CIGI, Inspector General.

The Agency for Health Care Administration's mission is  
Better Health Care for All Floridians.

The Inspector General's Office conducts audits and reviews of Agency programs to assist the Secretary and other agency management in fulfilling this mission.

This engagement was conducted pursuant to Section 20.055, Florida Statutes, and in accordance with the *International Standards for the Professional Practice of Internal Auditing* as established by the Institute of Internal Auditors. Please address inquiries regarding this report to the AHCA Audit Director at (850) 412-3990.

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Copies may also be requested by telephone at (850) 412-3990, in person, or by mail at Agency for Health Care Administration, 2727 Mahan Drive, Mail Stop #5, Tallahassee, FL 32308.

No.	Finding Statements	Recommendations	Management Responses	Anticipated Completion Date and Contacts
1	<p>HCPO did not amend 59A-4, F.A.C. in accordance with the Agency response to federal audit A-04-17-08058 regarding State Emergency Plans. HCPO did not schedule rule workshop within six months as stated in the Agency response to federal audit A-04-17-08058 regarding State Emergency Plan requirements.</p>	<p>We recommend HCPO begin the process to update 59A-4 F.A.C., Minimum Standards for Nursing Homes regarding emergency plans.</p>	<p>Health Care Policy &amp; Oversight (HCPO) is currently updating the nursing home Comprehensive Emergency Management Plan (CEMP) to align the criteria and format with the new template for Assisted Living Facilities CEMPs adopted November 2023. A standard template is necessary to make updates as the emergency plan criteria for residential providers are complex. The new template was created in coordination with the Florida Emergency Preparedness Association, Florida Health Care Association, Florida Senior Living Association, and other groups with a stake in residential health care. HCPO anticipates publishing a notice of rule development to include a workshop date within the next 1-2 months.</p>	<p><u>Anticipated Completion Date:</u> July 2024</p> <p><u>Contact(s):</u> Jeremy Roberts 412-4432 Kelli Fillyaw 412-4442 Brian Smith 412-4535</p>