RICK SCOTT
GOVERNOR

AHCA
FLORIDA AGENCY FOR HEALTH CARE ADMINISTRATION

ELIZABETH DUDEK
SECRETARY

April 2, 2015

Elizabeth Dudek, Secretary
Agency for Health Care Administration
2727 Mahan Drive
Tallahassee, Florida 32308

Dear Secretary Dudek:

In accordance with Internal Auditing Standards, attached is the six-month status report from the Division of Medicaid and the Bureau of Medicaid Program Integrity in response to our report *#14-17 Review of TLO* published on October 7, 2014.

Management has indicated corrective action has been completed for each of our report issues. A detailed description of all issues, recommendations, and management's responses can be found in the attached table.

If you have any questions regarding this status report, please let me know.

Sincerely,

Eric W. Miller
Inspector General

EWM/pa
Enclosure
cc: Justin Senior, Deputy Secretary, Division of Medicaid
      Beth Kidder, Assistant Deputy Secretary for Medicaid Policy and Quality
      David Rogers, Assistant Deputy Secretary Medicaid Operations
      Gay Munyon, Bureau Chief, Medicaid Fiscal Agent Operations
      Kelly Bennett, Chief, Medicaid Program Integrity

No.	Finding	Recommendation	Previous Management Response(s)	Status Update, Anticipated Completion Date and Contact
1	**User Access:** The FPCU does not have a documented process for adding and deleting TLO users.	A. FPCU should develop written procedures to address user access and termination requests, and distribute them to identified parties. All requests should be documented in writing.	A. Status as of October 7, 2014 Medicaid Fraud Prevention and Control Unit amended its policy to read as follows: "User access and termination must be submitted in writing (via email) by the unit manager to the Account Manager. If the user anticipates being out of the office in excess of ten business days, he/she should notify the unit manager so that accounts can be managed appropriately. A file of all requests must be maintained for no less than five years." *Completed - 9/25/2014*	Complete
		B. The Account Administrator should maintain written documentation for no less than five years for each TLO addition or termination	B. Status as of October 7, 2014 A shared drive folder for TLO has been created to store administrative items and it will be maintained consistent with Agency record retention requirements. *Completed - 8/11/2014*	Complete
2	**Confidentiality and Security**: FPCU may not be complying with the Driver's Privacy Protection Act (DPPA) and related state laws.	A. FPCU should develop written procedures to ensure TLO users and any associated personnel understand the confidentiality/security of data obtained from TLO. These procedures should also address the consistent and secure storage of TLO related information	A. Status as of October 7, 2014 The TLO user protocol was amended in June to include protocols for securing query results. *Completed - 8/11/2014*	Complete

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		B. The TLO user protocol will be further amended to include an acknowledgement signature block for each user.	B. Status as of October 7, 2014 The TLO user protocol will be further amended to include an acknowledgement signature block for each user. *Anticipated date of Completion: 10/15/2014*	**Complete** The Fraud Prevention and Control Unit (FPCU) no longer exist. As part of the reorganization of the Division of Medicaid, the staff who were using TLO have been moved to the Bureau of Medicaid Fiscal Agent Operations. They continue to use TLO. All current users have signed user agreement protocols which are on file and available for review upon request. In addition, the current TLO contract expires in April 2015 and Medicaid will not be renewing it. The Bureau of Medicaid Program Integrity will hold the contract, and Medicaid will pay for the portion of the contract proportional to its number of users. Completed - 9/30/2014 Contact: Heather Hostetter 412-4628
3	**Use of TLO Software:** Some users do not use TLO on a routine basis.	A. The Unit Supervisor should periodically monitor TLO usage reports and determine how many licenses are necessary to perform the intended function.	A. Status as of October 7, 2014 The extremely low annual cost of TLO renders it a very high return on investment tool even where usage is low. Formal usage reviews were not previously conducted because the	**Complete** A quarterly review of the TLO usage logs indicates the current number of licenses and TLO usage is appropriate and cost effective.

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			value of the tool is not based upon the number of queries. That said, while not a particularly accurate manner of evaluating the value of the tool, usage reviews will be conducted *Anticipated date of Completion: 10/15/2014*	Copies of utilization logs are available for review upon request. In addition, the current TLO contract expires in April 2015 and Medicaid will not be renewing it. Any further use of this tool will be done through agreement with MPI in compliance with any currently written MPI protocols for the use of said tools. Completed - 9/30/2014 Contact: Heather Hostetter 412-4628
		B. FPCU should develop written procedures to address the Unit Supervisor's periodic monitoring of staff TLO usage.	B. Status as of October 7, 2014 The protocols for reviewing and monitoring staff's usage have been drafted. *Completed – 8/11/2014*	Complete
4	**Maintaining Documentation Support and Conducting Reviews:** The FPCU does not have adequate internal controls to ensure TLO is used for identified purposes and that there is no	A. FPCU should develop written procedures to address TLO use. The procedures should also require TLO users to document the reason(s) for each search; for example, reference number, reason for search and the name of requestor.	A. Status as of October 7, 2014 The user protocol has been amended and a formal tracking log template created along with a document explaining how to track usage, further elaborating on usage and describing the protocol for review of usage. *Completed – 8/11/2014*	Complete

Agency for Health Care Administration
Office of Inspector General – Internal Audit
Report Title: Review of TLO
Report #: 14-17, issued October 7, 2014
Six-Month Follow-up Status as of April 7, 2015

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	misuse of information.	B. FPCU should ensure reviews of TLO searches are performed by an independent person on a quarterly basis. All reviews should be documented and maintained for no less than five years.	B. Status as of October 7, 2014 A review process has been formalized, and documentation of the reviews will be maintained in accordance with Agency record retention policies. *Anticipated date of Completion: 10/15/2014*	**Complete** TLO searches are reviewed periodically by the contract manager to ensure compliance with currently written and approved protocols; however Medicaid will not be renewing this contract after it expires in April. Completed - 9/30/2014 Contact: Heather Hostetter 412-4628
		C. FPCU should develop written desk procedures for quarterly usage reviews.	C. Status as of October 7, 2014 The procedure for conducting the reviews has been documented. *Completed – 8/11/2014*	Complete
		D. Overall Recommendation: FPCU should ensure all staff are trained in the proper use of TLO, maintaining documentation of searches and any other procedures addressed in this report.	D. Status as of October 7, 2014 Staff training has been conducted and will be a routine (at least annually) topic for training. *Completed – 8/11/2014*	Complete