



RICK SCOTT
GOVERNOR

JUSTIN M. SENIOR
INTERIM SECRETARY

December 14, 2016

Mr. Justin M. Senior, Interim Secretary
Agency for Health Care Administration
2727 Mahan Drive
Tallahassee, Florida 32308

Dear Interim Secretary Senior:

In accordance with Internal Auditing Standards, attached is a status update from the Division of Operation's Third Party Liability Unit in response to our report #15-09 *Third Party Liability Management Review*, published on June 24, 2016.

Management has indicated corrective action has been completed for all 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/pz
Attachment

cc: Melinda M. Miguel, Chief Inspector General
Sherrill F. Norman, Auditor General
Toby Philpot, Chief of Staff
Mallory McManus, Communications Director
Tonya Kidd, Deputy Secretary, Division of Operations
Dan Gabric, AHC Administrator, Third Party Liability



Agency for Health Care Administration
Office of Inspector General – Internal Audit
Report Title: Third Party Liability Management Review
Report #: 15-09, issued June 24, 2016
Six-Month Status as of December 14, 2016

No.	Finding(s)	Recommendation(s)	Previous Management Response(s)	Status Update, Anticipated Completion Date and Contact
1	The TPL Unit does not have written internal policies, procedures, or guidelines regarding monitoring of the TPL vendor contract.	We recommend that the TPL Unit develop written contract monitoring procedures.	The TPL unit will develop a written contract monitoring tool to coincide with Agency contract monitoring guidelines. <i>Anticipated Date of Completion: July 31, 2016</i>	Completed. The TPL unit has developed several tools to monitor the various aspects of the TPL vendor contract. Dan Gabric
2	The TPL Unit does not adequately document monitoring of the TPL vendor's handling of casualty and estate recovery cases. Although TPL staff state that they review and give guidance on the daily handling of cases and hold bi-weekly meetings with vendor management, there is inadequate documentation of monitoring done.	We recommend that the TPL Unit document and formalize monitoring of the TPL vendor's activities and communication with the vendor by: a) Capturing the results of monitoring such as by utilizing contract monitoring case review checklists and/or issuing monitoring report letters similar to what was previously utilized to document and track the review of cases or other areas of concern identified by the TPL Unit. b) Verifying the accuracy of the vendor's quality assurance report cards, on a sample basis, as part of the monitoring process and documenting the review of report card submissions and any discrepancies found to allow for tracking to gauge quality improvement or deficiencies. c) Documenting any guidance or directives given by the Agency in cases requiring Agency input in the case file.	The TPL unit will develop protocols to document our monitoring activities which will include but not be limited to reviewing submitted quality assurance report cards and randomly chosen sample of Estate, Trust & Annuity, and Casualty cases. <i>Anticipated Date of Completion: July 31, 2016</i>	Completed. The TPL unit is utilizing monitoring tools developed to review various aspects of the TPL vendor contract including choosing a random sample of cases. Dan Gabric