COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-2766
PHONE: (213) 974-8301 FAX: (213) 626-5427

J. TYLER McCAULEY
AUDITOR-CONTROLLER

May 21, 2001

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: J. Tyler McCauley
Auditor-Controller

SUBJECT: **DHS - LAC+USC MEDICAL CENTER - REVIEW OF THE TREATMENT AUTHORIZATION REQUEST PROCESS**

Attached is our report on the Department of Health Services' (DHS) LAC+USC Medical Center's processing of Treatment Authorization Request (TAR) forms. Hospitals must have an approved TAR before Medi-Cal will reimburse a facility for inpatient services provided to Medi-Cal patients. The TAR documents the appropriateness of the medical treatment provided and the number of days approved for Medi-Cal reimbursement. The TAR is completed by the hospital nursing (Utilization Review) staff and approved by an on-site State Medi-Cal reviewer.

Summary of Findings

In a prior review of DHS' accounts receivable write-offs, we found a significant amount of patient charges written off at LAC+USC because TARs were not processed timely. This prompted our review of the TAR process to determine why delays in processing TARs occur and to identify ways to improve the process. In our current review, we found areas where LAC+USC could improve its monitoring of the TAR process. We also noted areas where changes in Utilization Review's (UR) operations could result in increased efficiencies and reduce delays. Following are examples of some of these areas.

Monitoring of the TAR Process

LAC+USC needs to enhance its monitoring of the TAR process to ensure delays are minimized. For example:

- UR utilizes a computerized system to track cases requiring TAR processing. UR inputs a process code into the tracking system to identify the status/location of each

case. However, UR uses only one process code to identify cases that are forwarded to UR Nursing (from UR Clerical) for processing. The use of multiple codes would allow UR to generate reports by process code and monitor cases based on the required processing times.

- UR needs to closely monitor to ensure that approved TARs are forwarded to the Consolidated Billing Office (CBO) timely to minimize billing delays and potential lost revenues. Generally, the TAR should be forwarded to the CBO within a week after the State approves the TAR. Forty-six percent of the cases we reviewed were forwarded to the CBO more than one week after the State's approval date.

- To adequately track each case and effectively monitor the process, UR's tracking system should be functioning properly. We noted that at various times the UR tracking system was inoperable. UR management needs to ensure that system down time is minimized and/or determine if an upgrade or replacement system is necessary and feasible.

Improving UR Efficiency

During discussions with UR staff and observations of UR processes, we noted areas where changes could be made to increase efficiency and reduce delays. For example:

- The UR Clerical staff could perform some of the duties performed by the UR nurses more efficiently and economically. The UR nurses spend approximately one to two hours each morning sorting and prioritizing new admissions. UR Clerical staff could perform these functions while they are preparing the files for the UR nurses.

- UR has only one computer available in their work location to access the CompuCare and UR systems. This frequently results in needed information being obtained late. UR management should evaluate whether additional computer terminals are warranted to ensure patient information is readily available and minimize delays.

Untimely MEDS Printouts

Patient Financial Services (PFS) is responsible for identifying third party coverage and providing UR with Medi-Cal Eligibility Data System (MEDS) printouts for all inpatient admissions. A MEDS printout is required for each admission to verify a patient's Medi-Cal eligibility and covered service dates. Based on UR's records, PFS did not generate a timely MEDS printout for 28% of admissions during the month we reviewed.

Monitoring Medical Records Requests

LAC+USC's Medical Records Department (MRD) maintains and tracks medical records for all patients. The availability of medical records is essential to the timely completion of the TAR. Following are examples where improvements can be made in the processing/monitoring of medical records requests.

- UR and MRD management need to monitor to ensure that medical record requests for appeal cases are processed timely. The County has 60 days from the date the State denies payment on a case to request an appeal. To meet the State's time frame, UR and MRD established time frames to request and retrieve medical records. These time frames are not being met. Eight (38%) of the 22 cases we reviewed exceeded the State's 60-day time frame. Consequently, LAC+USC lost the opportunity to appeal charges totaling $174,000.

- Generally, medical record requests are not prioritized. MRD sorts outstanding requests numerically based on the medical record number. While this facilitates the retrieval process, it does not allow cases to be prioritized (e.g., based on billing deadlines, charges, etc.).

- UR and MRD management are not able to effectively monitor medical record requests and, as a result, significant delays are occurring in both requesting and retrieving medical records. UR generates a monthly report of outstanding medical record requests. However, this report does not include such information as the length of time it takes UR to request a medical record or how long a request has been outstanding. UR management needs to modify the monthly report to include additional information that will allow management to effectively monitor medical record requests and to take corrective action when needed.

These and other issues along with recommendations are discussed in more detail in the attached report.

Acknowledgement and Response

We discussed our findings and recommendations with LAC+USC management who indicated that they have taken or are taking corrective actions. Their response is attached. We thank LAC+USC management and staff for their cooperation and assistance during our review.

If you have any questions, please call me at (213) 974-8301 or Pat McMahon at (213) 974-0301.

JTM:PTM:KM

Attachment

c: David E. Janssen, Chief Administrative Officer
Department of Health Services
Mark Finucane, Director
Ramona Hernandez, LAC+USC, Quality Resource Management
Sachi Hamai, Inspection and Audit Division
Violet Varona-Lukens, Executive Officer, Board of Supervisors
Public Information Office
Audit Committee

Los Angeles County
Department of Health Services

LAC+USC Medical Center
Review of the Treatment Authorization Request Process

May 21, 2001

Prepared by:
Department of Auditor-Controller

Audit Team

Patrick McMahon
Mort Carson
Kathy Markarian
Jackie Guevarra
Anna Volodinsky
Laura Golles

Department of Health Services
LAC+USC Medical Center – Utilization Review
Review of the Treatment Authorization Request Process

Background

Hospitals must have an approved Treatment Authorization Request form (TAR) before Medi-Cal will reimburse a facility for inpatient services provided to Medi-Cal patients. The TAR documents the appropriateness of the medical treatment provided and the number of days approved for Medi-Cal reimbursement. The TAR is completed by hospital nursing staff and must be approved by on-site State Medi-Cal reviewers before an account can be billed.

At LAC+USC, Utilization Review (UR), a unit within Quality Resource Management, is responsible for obtaining authorizations to bill third party payor sources (e.g., Medi-Cal, private insurance, etc.). UR includes the UR-Nursing and UR-Clerical sections.

UR nurses review each patient's medical chart to certify the necessity and appropriateness of services, and to ensure that the patient's condition justifies the patient's stay. These reviews are conducted either concurrently or retroactively as defined below:

- **Concurrent review** – The review is conducted throughout the patient's stay. UR conducts concurrent reviews of all known Medi-Cal patients and, as time permits, of patients who have applied for Medi-Cal and eligibility is pending (i.e., pending Medi-Cal).

- **Retroactive review** – A review is conducted after the patient has been discharged. UR conducts retroactive reviews when Medi-Cal is identified, or eligibility is established, after the patient has been discharged.

Scope and Objectives

During our Accounts Receivable Write-Off and Adjustment Review at the DHS' Consolidated Business Office (report dated October 13, 1999), we noted that the Business Office wrote-off $3.3 million (during FY 1997-98) and $1.6 million (during FY 1998-99) in patient charges at LAC+USC because the TAR forms were not received within Medi-Cal's billing time limits. These findings prompted our review of the TAR process.

The purpose of our review was to determine why delays in processing TARs occur and to identify ways to improve the process. We reviewed policies and procedures for appropriateness and evaluated the monitoring tools used by management to identify and minimize delays. Our review included the examination of a sample of patient files and discussions with management and staff regarding TAR processing procedures. We

also conducted a review of Medical Records and Patient Financial Services since the completion of the TAR is dependent on these departments.

Utilization Review - Monitoring

According to UR management, UR is not staffed at a level that would allow concurrent reviews of all cases. Therefore, UR prioritizes cases for concurrent review as follows:

1. Known Medi-Cal and private insurance cases – UR nurses should conduct a concurrent review of known Medi-Cal cases within 24 hours of the patient's admission. UR should contact private insurance companies for treatment authorization within 24 hours of admission.

2. Pending Medi-Cal cases – If time/workload permits, UR nurses conduct concurrent reviews of pending Medi-Cal cases.

3. Other cases (e.g., self-pay, unknown payor source, etc.) are handled last, as time permits.

Due to time constraints, UR nurses generally only complete concurrent reviews of known Medi-Cal and private insurance cases (i.e., category 1 above). Because the majority of UR's day is spent conducting concurrent reviews and other case follow-up activities, there is minimal time to review retroactive cases. As a result, there is usually a significant backlog of cases requiring retroactive reviews. At the time of our fieldwork, UR had a backlog of approximately 1,000 cases requiring retroactive review.

Monitoring of the TAR process helps ensure that TARs are processed timely and allows management to identify delays and backlogs that need to be resolved. Monitoring is particularly important to ensure billing time frames are met. For example, the State requires Medi-Cal accounts to be billed within 60 days from the State's Medi-Cal reviewer's approval of the TAR if the patient was discharged more than one year ago.

UR utilizes a computerized system to track cases requiring TAR processing. UR inputs process codes into the tracking system that identify the status/location of the case. For example, the process codes can indicate that the medical records were requested, the case was sent to UR Nursing for review, the TAR was sent to the State for approval, etc.

The following sections discuss some of these monitoring efforts and ways to enhance the monitoring.

Process Codes

UR uses only one process code to identify cases that are forwarded to UR Nursing (from UR Clerical) for processing. By using a single process code for all cases, UR cannot easily identify the type of processing each case needs and monitor accordingly.

Most of the cases sent to UR Nursing require a retroactive chart review. Other cases only require a correction or some additional information (referred to as “special handling cases”). Generally, a retroactive review requires considerably more time to process than a special handling case that usually requires minimal time to complete.

UR should establish separate process codes for cases sent to UR Nursing to identify those requiring a retroactive chart review and those that are special handling cases. This will allow UR to generate reports by process codes and monitor cases based on the expected processing time frames. This will also allow management to easily identify the backlog of cases requiring retroactive review. Currently, UR does a manual count to determine the number of cases requiring a retroactive review.

Recommendations

UR management:

1. **Establish separate process codes for cases forwarded to UR Nursing to identify the different type of processing required (i.e., retroactive review or special handling).**

2. **Monitor cases sent to UR Nursing by process code to ensure cases are processed within the expected timeframes.**

Submission of TARs to Billing Office

Once the State approves a TAR, UR Clerical reviews/processes the case and forwards the TAR to the Consolidated Billing Office (CBO) for billing. According to UR Clerical, generally this step should be completed within a week. UR developed a report (the *Process Date – Signoff Date Report*) to identify/monitor the delays in forwarding TARs to the CBO. However, at the time of our review, management indicated that this report was not routinely generated/monitored because of recurring system problems.

We reviewed the September 1999 *Process Date - Sign-off Date Report* which shows the number of days between the date the State approves the TAR and the date UR Clerical forwards the TAR to the CBO. Of the 1,864 cases that were forwarded to the CBO in September 1999, 855 (46%) were forwarded more than one week after the State approval date as shown below:

Number of TARs	%	Number of Days to Send the TAR to CBO
1009	54%	1 to 7 days
552	30%	8 to 30 days
303	16%	Over 30 days
Total 1864		

UR needs to routinely monitor to ensure that TARs are forwarded to the CBO timely. Delays in forwarding TARs to the CBO delays the billing process and can potentially result in lost revenue. For example, we reviewed 11 cases on the September 1999 report that were more than one year old and noted that one of the 11 was written off (charges of approximately $36,000) because the TAR was not submitted within the required time frame.

Recommendation

3. **UR management monitor to ensure that approved TARs are forwarded to the CBO timely.**

Monitoring of "Unable to Locate" Cases

If Medi-Cal eligibility is identified, and the CBO has not received a TAR, the CBO requests the TAR from UR. When UR Clerical receives a request (an AR10), UR Clerical pulls the case file for processing. If UR Clerical is unable to locate the case file, they enter a process code into the system indicating "unable to locate" and continue to search for the case file. UR Clerical stated that if they are unable to locate the case file after repeated attempts, they re-create the case file.

UR has staff assigned to routinely work the unable to locate files. However, as a monitoring tool for management, UR should periodically generate a report of "unable to locate" cases to ensure that cases are located within a reasonable amount of time or that case files are recreated when necessary.

Recommendation

4. **UR periodically generate a report of "unable to locate" cases and monitor to ensure that case files are located timely or re-created when necessary.**

System Down-Time

At various times during our fieldwork, the tracking system was inoperable and staff was unable to access the computer. This causes delays in processing cases as well as a duplication of efforts because cases processed during the down time must be recreated in the tracking system.

At one point, UR personnel indicated that the system had been inoperable for an extended period. Management was working with Information Systems to resolve the problems. In order to adequately track each case and effectively monitor the process, the system needs to be functioning properly. UR management should continue to work with Information Systems to minimize system down time and/or determine if an upgrade or replacement system is necessary and feasible.

Recommendation

5. **UR management continue to work with Information Systems to minimize system problems and/or determine the necessity and feasibility of an upgrade or replacement system.**

Improving UR Efficiency

During discussions with management and staff and our observations of the staff functions, we noted the following areas where changes could be made to increase efficiency and reduce delays.

- The UR Clerical staff could perform some of the duties performed by the UR nurses more efficiently and economically. Each morning, UR Clerical staff prepares the paperwork/files for all inpatients (new admissions and continued stays) for the UR nurses' concurrent reviews. The UR Clerical staff organizes the continued stays by ward and distributes the new admissions. The UR nurses then spend an additional 1 to 2 hours each morning sorting the new admissions by ward and combining them with the continued stays, placing stickers on the files to identify the payer source and prioritizing the cases for review (e.g., Medi-Cal, private insurance, etc). UR Clerical staff could perform these additional tasks while they are preparing the files for the UR nurses. This will allow the UR nurses additional time to conduct chart reviews.

- UR nurses routinely access the Hospital's CompuCare System to obtain patient/physician information such as recent procedures performed, insurance information, patient location, etc. The nurses also use the UR System to identify/track the status of cases under review. UR has only one computer available in their work location to access the CompuCare and UR Systems. UR staff stated that they frequently must wait to obtain access to the system resulting in delays. UR management should evaluate whether additional computer terminals are warranted to ensure patient information is readily available to minimize delays.

Recommendations

UR management:

6. **Assign the file sorting/identifying functions currently performed by UR nurses to UR Clerical.**

7. **Evaluate whether additional computer terminals are warranted to ensure patient information is readily available to minimize delays.**

Written Procedures/Cross Training

UR does not have written procedures for the UR Clerical functions. Written procedures serve as a reference and training guide to ensure functions are appropriately performed.

. **Recommendation**

8. **UR management develop written procedures for UR Clerical functions.**

Patient Financial Services

MEDS Printouts

Patient Financial Services' (PFS) is responsible for identifying third party coverage and providing UR with Medi-Cal Eligibility Data System (MEDS) printouts for all inpatient admissions. The MEDS is a State maintained system used to verify Medi-Cal eligibility. A MEDS printout must be generated for each admission to verify a patient's Medi-Cal eligibility and covered service dates. The State requires proof that a valid attempt to identify Medi-Cal coverage was made during the patient's stay (i.e., MEDS printout).

PFS staff is responsible for generating MEDS printouts for all admissions by 5:00 a.m. each morning for the previous day's admissions. Based on UR's records, PFS did not generate a MEDS printout timely for 28% of all admissions during November 1999. When MEDS printouts are not generated by 5:00 a.m. (which is the time that MEDS are forwarded to UR), UR Clerical must generate the MEDS printout to have the files ready in the morning for the UR nurses. UR Clerical must access the MEDS terminal in another unit to generate the MEDS printouts. UR Clerical staff indicated this results in delays since the other unit frequently uses this terminal.

PFS staff indicated that they were unaware that MEDS printouts need to be generated by 5:00 a.m. If the MEDS was not generated by 5:00 a.m., PFS would still generate the MEDS, but this will not reach UR until the following day. At this point, UR Clerical will have already generated the required MEDS. This is a duplication of effort.

Recommendation

9. **PFS management instruct staff to generate all MEDS printouts for the previous day's admissions within the required time frame (i.e., before 5:00 a.m. following the admission date).**

Insurance Notification

LAC+USC should contact the private insurance companies for treatment authorization within 24 hours of an unscheduled admission to ensure reimbursement. Upon admission, PFS verifies the patient's insurance eligibility and completes the PHP/HMO

Insurance Notification Form. This form documents pertinent insurance information such as telephone number, contact person, authorization number, etc. Frequently, PFS requests Utilization Management to obtain the treatment authorizations.

Regardless of who obtains authorization, UR Nursing should be provided with the Insurance Notification Form to facilitate the case review. However, this is not always occurring. PFS procedures do not require them to forward the Insurance Notification Form to UR Nursing. Consequently, UR nurses will duplicate procedures already performed by PFS to obtain information noted on the Insurance Notification Form (e.g., authorization number, contact person, etc.) which is needed to obtain authorization for continued stays.

Based on our discussions with PFS and Utilization Management, it is not clear who has primary responsibility for obtaining insurance authorizations. Management needs to clarify who is responsible for this function. Also, PFS should provide UR Nursing with the Insurance Notification Form promptly to prevent duplication of effort and to expedite the case review.

Recommendation

10. LAC+USC management determine which unit should be responsible for obtaining private insurance treatment authorizations and ensure that UR Nursing is provided with the PHP/HMO Insurance Notification Form timely.

Medical Records

The LAC+USC Medical Records Department (MRD) is responsible for maintaining and tracking medical records for all patients. The medical record provides documentation of the hospital stay/treatment when billing a third-party payor (e.g., Medi-Cal, private insurance, etc.). State Medi-Cal reviewers need to review a patient's medical record to approve services/treatment, days, etc. for billing. The availability of medical records is essential to the timely completion of the TAR.

During our review of UR processes, we noted that delays in obtaining medical records contributed to the TAR processing backlog. Delays in obtaining medical records can lead to untimely billings and an increased potential for lost revenue. The following sections discuss areas where improvements can be made.

Appeal Cases

When the State denies a patient's stay or a portion of the stay (i.e., denied days), LAC+USC may appeal the denial. The County has 60 days from the date of denial to request an appeal. To meet the State's time frame, UR and MRD established procedures requiring medical records to be requested within eight days from the denial date and retrieved within 35 days of the request date.

We reviewed 22 outstanding medical record requests for appeal cases. Twelve (55%) of the 22 medical records were requested more than eight days after the denial date. Four (18%) of the 22 medical records were retrieved more than 35 days after the request date. Due to UR and/or MRD delays, eight (36%) of the 22 medical records were not obtained within the time allowed to request an appeal (i.e., 60 days). Consequently, LAC+USC lost the opportunity to appeal charges totaling $174,000.

UR and the MRD management need to monitor to ensure that medical record requests for appeal cases are processed timely. Also, MRD needs to update their written procedures to reflect the 35-day time frame to process medical record requests. This time frame was updated shortly before our fieldwork, but MRD's written procedures have not been updated to reflect the new procedures.

Recommendation

11. UR and Medical Records Department management monitor to ensure that medical record requests for appeal cases are processed timely.

12. MRD revise the written procedures to reflect the current timeframe for processing medical records requests for appeal cases.

Prioritization of Medical Records Requests

Generally, medical record requests are not prioritized. MRD sorts outstanding requests numerically based on the medical record number, which is how they are filed. While this facilitates the retrieval process, it does not allow cases to be prioritized (e.g., based on billing deadlines, charges, etc.).

Recommendation

13. MRD management prioritize outstanding medical record requests based on appropriate factors (e.g., billing deadlines, charges, etc.)

Monitoring of Medical Record Requests

UR submits numerous requests for medical records to the MRD on a daily basis. As a follow-up, UR generates and forwards a monthly report of all outstanding medical record requests to the MRD. This report does not include sufficient information to allow for effective monitoring. For instance, the report does not indicate how long it takes UR to request medical records or how long the requests have been outstanding.

We reviewed the October 1999 outstanding inventory and calculated that it took an average of 64 days for UR Clerical to request a medical record. However, due to the lack of information, we could not determine if the request dates listed were the dates of

the initial requests or follow-up requests necessitated because the medical record had not been received. We also found that MRD does not always respond timely to the medical record requests. Thirty-six percent of the requests on the October 1999 inventory had been requested more than one month prior.

UR and MRD management needs to develop effective monitoring tools to ensure medical records are obtained timely and to identify problem areas.

Recommendations

14. UR management modify the outstanding medical records report to include sufficient information (e.g., number of days to request a medical record, number of days a request is outstanding, etc.) to allow for effective monitoring.

15. UR and MRD management monitor outstanding charts requests and take corrective actions, as needed, to ensure requests are processed timely.

Accuracy of the Outstanding Inventory Report

We reviewed the outstanding medical records requests as of November 22, 1999 and found that 10 of the 323 medical record requests had been outstanding for more than one year. We reviewed these 10 accounts and noted that three (30%) had been dispositioned (e.g., paid or written-off). These requests should have been removed from the report.

Additionally, during our testwork, there were many instances when MRD indicated that the medical records had been sent to UR but, UR's records indicate that they had not received the medical record.

Recommendation

16. UR and MRD management implement procedures to ensure that the outstanding inventory report is accurate and updated timely.

Medical Records Clearance

According to discussions with MRD management, missing medical records are sometimes a result of terminating employees not returning medical records to the MRD. LAC+USC's policy requires all residents to obtain clearance from MRD prior to graduation. Part of this clearance is to ensure all medical records have been returned. However, the LAC+USC does not have a policy to require other personnel with access to medical records to obtain clearance from MRD prior to termination.

Recommendation

17. LAC+USC management implement a policy that requires all personnel who have the authority to retrieve medical records to obtain clearance from MRD prior to termination.

MARK FINUCANE, Director

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012

(213) 240-8101

BOARD OF SUPERVISORS

Gloria Molina
First District

Yvonne Brathwaite Burke
Second District

Zev Yaroslavsky
Third District

Deane Dana
Fourth District

Michael D. Antonovich
Fifth District

May 14, 2001

TO: J. Tyler McCauley
Auditor-Controller

FROM: Mark Finucane
Director of Health Services

SUBJECT: **REVIEW OF THE TREATMENT AUTHORIZATION REQUEST PROCESS - LAC+USC MEDICAL CENTER**

Attached is our response to the Auditor-Controller Audit Division's review of the LAC+USC Medical Center's Treatment Authorization Request (TAR) process.

The Department of Health Services concurs with your recommendations, and have taken or are taking action as recommended.

If you have any questions or need additional information, please let me know or your staff may contact Sachi Hamai at (213) 240-7901.

MF:sr

Attachment

c: Fred Leaf
Roberto Rodriguez

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES

SUBJECT: **REVIEW OF THE TREATMENT AUTHORIZATION REQUEST PROCESS - LAC+USC MEDICAL CENTER**

AUDITOR-CONTROLLER RECOMMENDATION #1:

UR Management establish separate process codes for cases forwarded to UR Nursing to identify the different type of processing required (i.e., retroactive review or special handling).

DHS Response:

Concur. Separate process codes were established in February 2000 to differentiate between routine retroactive cases and cases requiring special handling. The recommendation has been implemented.

AUDITOR-CONTROLLER RECOMMENDATION #2:

UR Management monitor cases sent to UR nursing by process code to ensure cases are processed within the expected timeframes.

DHS Response:

Concur. The process code contains the "date sent" to UR Nursing. Reports are generated to follow-up many cases not reviewed within appropriate timeframes. The recommendation was implemented March 2001.

AUDITOR-CONTROLLER RECOMMENDATION #3:

UR Management monitor to ensure that approved TARs are forwarded to the CBO timely.

DHS Response:

Concur. UR Management electronically receives the first of the outstanding TARs from the CBO and generates reports by both request dates and admission to insure that TARs are returned within the timeframes. The recommendation was implemented April 2001.

AUDITOR-CONTROLLER RECOMMENDATION #4:

UR periodically generate a report of "unable to locate" cases and monitor to ensure that case files are located timely or re-created when necessary.

DHS Response:

Concur. The "unable to locate" cases are reviewed weekly and appropriate action is taken to disposition the case for billing. The recommendation was implemented July 2000.

AUDITOR-CONTROLLER RECOMMENDATION #5:

UR Management continue to work with Information Systems to minimize system problems and/or determine the necessity and feasibility of an upgrade or replacement system.

DHS Response:

Concur. The UR system was upgraded to a new operating system. It has been fully functional since January 2001. The recommendation was implemented.

AUDITOR-CONTROLLER RECOMMENDATION #6:

UR Management assign the file sorting/identifying functions currently performed by UR nurses to UR Clerical.

DHS Response:

Concur. Clerical staff have been assigned to perform the filing/sorting functions for the UR nurses. The recommendation was implemented February 2001.

AUDITOR-CONTROLLER RECOMMENDATION #7:

UR Management evaluate whether additional computer terminals are warranted to ensure patient information is readily available to minimize delays.

DHS Response:

Concur. Additional access to Affinity and the UR system has been given to the staff. The recommendation was implemented January 2001.

AUDITOR-CONTROLLER RECOMMENDATION #8:

UR Management develop written procedures for UR Clerical functions.

DHS Response:

Concur. Written procedures for the UR Clerical functions are being written, and are approximately 50% complete. The recommendation is scheduled to be completed by November 2001.

AUDITOR-CONTROLLER RECOMMENDATION #9:

PFS Management instruct staff to generate all MEDS printouts for the previous day's admissions within the required time frame (i.e., before 5:00 a.m. following the admission date).

DHS Response:

Concur. PFS is providing UR with copies of MEDS printouts by 5:00 a.m. the day following the patient's admission date. The recommendation was implemented April 2001.

AUDITOR-CONTROLLER RECOMMENDATION #10:

LAC+USC Management determine which unit should be responsible for obtaining private insurance treatment authorizations and ensure that UR Nursing is provided with the PHP/HMO Insurance Notification Form timely.

DHS Response:

Concur. PFS and UM collaborated in developing procedures which assign to UM staff the responsibility for calling HMOs for inpatient admission authorization. The recommendation was implemented on October 29, 1998.

AUDITOR-CONTROLLER RECOMMENDATION #11:

UR and Medical Records Department management monitor to ensure that medical record requests for appeal cases are processed timely.

DHS Response:

Concur. The recommendation was implemented on February 1, 2001.

AUDITOR-CONTROLLER RECOMMENDATION #12:

MRD revise the written procedures to reflect the current timeframe for processing medical records requests for appeal cases.

DHS Response:

Concur. The recommendation was implemented on February 15, 2001.

AUDITOR-CONTROLLER RECOMMENDATION #13:

MRD Management prioritize outstanding medical record requests bases on appropriate factors (e.g., billing deadlines, charges, etc.).

DHS Response:

Concur. The recommendation was implemented on March 1, 2001.

AUDITOR-CONTROLLER RECOMMENDATION #14:

UR Management modify the outstanding medical records report to include sufficient information (e.g., number of days to request a medical record, number of days a request is outstanding, etc.) to allow for effective monitoring.

DHS Response:

Concur. The recommendation was implemented on March 1, 2001.

AUDITOR-CONTROLLER RECOMMENDATION #15:

UR and MRD management monitor outstanding chart requests and take corrective actions, as needed, to ensure requests are processes timely.

DHS Response:

Concur. The recommendation was implemented on March 15, 2001.

AUDITOR-CONTROLLER RECOMMENDATION #16:

UR and MRD management implement procedures to ensure that the outstanding inventory report is accurate and updated timely.

DHS Response:

Concur. The recommendation was implemented on April 2, 2001.

AUDITOR-CONTROLLER RECOMMENDATION #17:

LAC+USC Management implement a policy that requires all personnel who have the authority to retrieve medical records to obtain clearance from MRD prior to termination.

DHS Response:

Concur. We are working with Human Resources to implement the recommendation. The recommendation is scheduled to be implemented on October 31, 2001.