June 25, 2014

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

Dear Secretary Dudek:

Attached is our proposed audit plan for fiscal year 2014-2015. This plan also includes anticipated projects for subsequent fiscal years, 2015-2016 and 2016-2017.

The audit plan is based on our periodic risk assessment to provide the most effective coverage of the Agency's programs and processes. The activities outlined in this plan address the major operations of the Agency and optimize the use of our audit resources for the current year and the following two years. We look forward to continuing our work with management and staff in support of the Agency's goal of better health care for all Floridians.

With your approval, we will proceed with implementation of this audit plan.

Sincerely,

Eric W. Miller
Inspector General

APPROVED: _____

Elizabeth Dudek
Secretary

EWM/mbs
Attachment

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AHCA Inspector General / Internal Audit
Audit Plan
Fiscal Year 2014-2015

Projects	Division/Bureau	Description
Projects Currently in Progress		
Medicaid Recipient File Management Unit	Medicaid / Contract Management	This audit evaluates the efficiency and effectiveness of the Medicaid Recipient File Unit's manual update and OnBase report error correction processes.
TLO Review	Medicaid	This audit reviews the Agency's use of TLO software.
Medicaid Treating Provider Registration Process	Medicaid / Contract Management	This audit evaluates the Medicaid treating provider registration process.
Medicaid Managed Care Organizations' (MCOs) Anti-Fraud Plan Processes	Inspector General / MPI	An enterprise-wide assessment initiated by the Chief Inspector General. This review evaluates Medicaid MCOs' anti-fraud plans to assess whether the plans are viable and adhere to known fraud risks.
New Projects for Fiscal Year 2014-2015		
Background Screening Clearinghouse	HQA / Central Services	An audit of the Background Screening Clearinghouse process and controls including coordination among users.
Electronic Payment Internal Control Review	Operations / Financial Services	An audit of the process and controls over the receipt of credit card payments.
Service Level Agreement – Northwood Shared Resource Center (NSRC)	Information Technology	A review of the Agency's Service Level Agreement with NSRC focusing on systems patch management.
HQA On-line Licensing Process	HQA	A review of the new HQA On-line Licensing Application Process for facilities.
Third Party Liability Process	Operations / Third Party Liability	An audit of the process and controls over the identification, management, and recovery of funds for claims paid by Medicaid for which a third party is liable.
Follow-up on Prior Audit Recommendations	AHCA	Follow-up on Prior Audit Recommendations. There are approximately 15 follow-up status reports scheduled.

AHCA Inspector General / Internal Audit
Audit Plan
Fiscal Year 2014-2015

Projects	Division/Bureau	Description
Other Direct Projects		
Enterprise Audits	To Be Determined	Enterprise priorities identified by the Chief Inspector General in consultation with agency inspectors general.
Emerging Issues / Management Consulting / Special Projects	AHCA	Internal Audit is frequently requested by the IG and/or management to conduct reviews and other types of projects throughout the fiscal year not listed on the original audit plan. Special projects also include performance measure reviews, IT disaster recovery exercises, Internal Audit policies and procedures updates, etc.
External Report Responses / Follow-ups / Tracking	AHCA	Monitoring and tracking of external audits (Auditor General, Office of Program Policy Analysis and Government Accountability, Federal Department of Health and Human Services (HHS), U.S. Government Accountability Office, Social Security Administration, etc.). HHS demand, disallowance, and appeal letters are also tracked.
Annual Risk Assessment / Audit Plan	AHCA	In accordance with IIA Standards, the Audit Director must establish risk-based plans on an annual basis.

AHCA Inspector General / Internal Audit
Long Term Audit Plan
Fiscal Years 2015-2016 through 2016-2017

Projects	Division/Bureau
Potential Projects for Fiscal Year 2015-2016	
Consolidated Call Center	HQA / Medicaid
Oversight of Medicaid Managed Care Organizations' Contracts	Medicaid
Rate Setting Process - Capitation Payments	Medicaid / Program Analysis
FMMIS System Modifications	Medicaid / Contract Management
Application Development Standards	Information Technology
Medicaid Federal Reporting Requirements (alignment of budget with expenditures)	Medicaid / Financial Services
Handbook / Policy Development	Medicaid
Potential Projects for Fiscal Year 2016-2017	
HQA Time Validation Process	Health Quality Assurance
Statewide Medicaid Managed Care Long Term Care Implementation	Medicaid
Medicaid Encounter Data Process	Medicaid
Mobile Communications	Information Technology
Medicaid Federal Reporting Requirements (reporting of Medicaid waivers' performance measures)	Medicaid
Enhancement of Fraud and Abuse Recoveries using Data Analytics	Inspector General / Medicaid Program Integrity
Central Intake	HQA / Central Services