

**Collier County  
Clerk of the Circuit Court  
Internal Audit Department**

## Management Advisory 2004 - 8

**To:** Patrick Blaney, Director of Internal Audit *P.B.*

**From:** Ilonka E. Washburn, Lead Senior Internal Auditor

**CC:** Dwight E. Brock, Clerk of the Circuit Court *D.E.B.*  
Audit File

**Date:** October 8, 2004

**Re:** State Mandated Service Agreement – Department of Health

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### State Mandated Service Agreement – Department of Health

#### BACKGROUND

Pursuant to Florida Statute 381.001 (1), "It is the intent of the Legislature that the Department of Health be responsible for the state's public health system which shall be designed to promote, protect, and improve the health of all people in the state. The mission of the state's public health system is to foster the conditions in which people can be healthy, by assessing state and community health needs and priorities through data collection, epidemiologic studies, and community participation; by developing comprehensive public health policies and objectives aimed at improving the health status of people in the state; and by ensuring essential health care and an environment which enhances the health of the individual and the community. The Legislature recognizes that the state's public health system must be founded on an active partnership between federal, state, and local government and between the public and private sectors, and, therefore, assessment, policy development, and service provision must be shared by all of these entities to achieve its mission."

County Health Departments were created throughout Florida for the promotion of the public's health, the control and eradication of preventable diseases, and the provision of primary health care for special populations. The Collier County Board of County Commissioners therefore, entered into a contract with the Department of Health for the purposes of providing the above services. The contract includes the three levels of county health department services as follows: communicable disease control services, personal health services (primary care), and environmental health services.

Under the current agreement, effective October 1, 2003, through September 30, 2004, between the Board of County Commissioners of Collier County and the Florida Department of Health, Collier County has agreed to reimburse the Health Department up to \$1,184,100.00. The monies are to be spent for selected programs, the largest of which are found within the three levels as follows:

Communicable disease control services: Immunization, Communicable Disease;

Personal health services (primary care): Healthy Start Prenatal (contracted with the Foundation for Women's Health), Dental;

Environmental health services: the Arbovirus Sentinel Surveillance Program (early warning system for the detection of select Viruses), and Swimming Pool/Spas inspections.

## **AUDIT OBJECTIVES & SCOPE**

The specific objectives of this review were to determine whether all applicable financial segments of the agreement were adhered to.

The scope of this advisory was limited to confirmation of agreement specifications as well as confirmation of expenditures for the following programs: Immunization, Communicable Disease, Healthy Start Prenatal (Foundation for Women's Health), Dental, and the Arbovirus Sentinel Surveillance Program (early warning system for the detection of select Viruses.)

## FINDINGS

### 1. Communicable disease control services:

Florida Statute 154.01, County health department delivery system.-- section (2) (b) states: *"Communicable disease control services" are those services which protect the health of the general public through the detection, control, and eradication of diseases which are transmitted primarily by human beings. Communicable disease services shall be supported by available federal, state, and local funds and shall include those services mandated on a state or federal level. Such services include, but are not limited to, epidemiology, sexually transmissible disease detection and control, immunization, tuberculosis control, and maintenance of vital statistics."*

The agreement between the Department of Health and Collier County states that to promote, protect, maintain and improve the health and safety of all citizens and visitors of this state the Collier County Health Department should provide those services.

#### **Immunization**

Immunization and medication services are provided in response to specific disease outbreaks and to assure immunization services and education in the community. Immunization is provided on site and through community outreach clinics for childhood and adult immunizations and Flu shots available during season. In response to the County's appropriation for immunizations the regular salaries and wages for June 2004 as well as computer expenditures less than \$1,000 were audited and no irregularities noted.

#### **Communicable Disease**

Monitoring and assessing the health situation of the community along with disease surveillance and investigation of reportable health conditions are among the scopes of Communicable disease control or specifically Epidemiology performed by the Health Department. Educating the general public as well as reducing risk for all reportable diseases to all of Collier's residents is an important factor in all of its services. In response to the county's appropriation for Communicable Disease Control the Cellular telephone expenditures were audited for authenticity and no irregularities noted.

### 2. Personal Health services (Primary care):

#### **Healthy Start Prenatal (Foundation for Women's Health)**

Florida Statute 381.001, Legislative intent; public health system.-- section (4) states: *"It is, furthermore, the intent of the Legislature that the department provide public health services through the 67 county health departments in partnership with county governments, as specified in part I of chapter 154, and in so doing make every attempt possible to solicit the support and involvement of private and not-for-profit health care agencies in fulfilling the public health mission."*

To ensure the Legislative intent is adhered to, the contract with the Health Department contained a provision extending \$300,000 to provide services to all low-income residents of Collier County. The Health Department has in turn entered into a contract with the Foundation for Women's Health to provide complete maternity service to all low-income residents of Collier County whose income does not exceed AFDC (Aid to Families with Dependent Children) guidelines.

The above contract was reviewed in its entirety and all monthly expense reports from December 2003 until May 2004 were examined for validity. As the Foundation For Women's Health subcontracts its physicians' services, we reviewed one such contract; finally, we reviewed a copy of the external audit reports. It was determined that the Foundation for Women's Health adhered to all facets of the contract. Worth mentioning however, is that when appropriate personnel of the Health Department were asked how the Foundation prepared the initial expense reports, they admitted to reviewing only the totals to ensure they did not exceed the contracted total.

#### RECOMMENDATION:

Ensure that appropriate personnel review all parts of the expense reports in their entirety.

#### Department of Health Response

We do not concur with this finding. This finding was not confirmed with upper level management and the information given was not correct. The procedure that is used in processing the monthly invoices from Women's Foundation is as follows:

(1) Biweekly payroll summaries submitted with invoices are verified against the total salaries and wages costs on the invoices.

(2) These payroll summaries also include employer paid benefits for each employee for FUTA, Medicare, FICA and 401( k)match. These are verified with the totals on the monthly invoices.

(3) Also included in the monthly billing are copies of the payment to Blue Cross/Blue Shield for health insurance and the payment to Guardian Insurance for employee life insurance. These amounts are then verified to the monthly invoices after adjusting for the amounts the employee pays.

#### Internal Audit Response

The above finding was in fact confirmed with upper management, as the Business Manager referred this auditor to the Accounting Supervisor in charge of invoice review. We did not dispute the fact that the invoices were correct and all totals matched, we did however, recommend ensuring that all parts of the expense reports are reviewed in their entirety by appropriate personnel. If however you are now stating that expense reports are reviewed in their entirety then that is contrary to what we were told initially but in line with our recommendation to scrutinize each expense report individually.

## **Dental**

Dental care is provided for children up to age 21 and financially eligible adults. Dental care is provided at the Health Department with one permanent dentist on staff and otherwise contracted dentists. The Dental clinic provides emergency, restorative and preventative dental care. In response to the county's appropriation for Dental Health, the May 2004 expenditures for the accounts: Salaries and Wages; Educational, Medical, Agricultural, and Dental Supplies; and Computer Equipment greater than \$1,000 were audited for authenticity and no irregularities noted.

### **3. Environmental health services:**

As stated in section 381.006, Florida Statutes, Environmental health.--"The department shall conduct an environmental health program as part of fulfilling the state's public health mission. The purpose of this program is to detect and prevent disease caused by natural and manmade factors in the environment. The environmental health program shall include, but not be limited to:

...(9) A function to control diseases transmitted from animals to humans, including the segregation, quarantine, and destruction of domestic pets and wild animals having or suspected of having such diseases.

...(11) Mosquito and pest control functions as provided in chapters 388 and 482.

...(13) A public swimming and bathing facilities function as provided in chapter 514."

Among these responsibilities are the Arbovirus Sentinel Surveillance Program and the Swimming Pool/Spas inspection program.

### **The Arbovirus Sentinel Surveillance Program**

The Sentinel Chicken Surveillance is an early warning system for the detection and monitoring of select viruses, especially the St. Louis Encephalitis and the West Nile Virus. In case of positive results, the Health Department will warn the general public and ensure the public is aware of ways to protect themselves from acquiring the virus. In response to the county's appropriated responsibility for the Sentinel Chicken Surveillance the regular salaries and wages for the entire third quarter of 2004 were audited for authenticity and no irregularities noted.

### **Swimming Pool/Spas inspections**

Section 64E-9.001 (1), Florida Administrative Code (FAC), states that, "Regulation of public swimming pools and bathing places is considered by the department as significant in the prevention of disease, sanitary nuisances, and accidents by which the health or safety of an individual(s) may be threatened or impaired.

(a) Any modification resulting in the operation of the pool in a manner unsanitary or dangerous to public health or safety shall subject the state operating permit to suspension or revocation.

(b) Failure to comply with any of the requirements of these rules shall constitute a public nuisance dangerous to health."

Operating Permits are required for the operation of any public pool/spa. Annual fees are determined by 64E-9.015, FAC, for the County, and section 381.0061, F.S., for the state.

The Environmental Health & Engineering Department (EH&ED), Collier County Health Department, has initiated an annual Public Pool/Spas inspection program, which covers two inspections and appropriate follow up inspections for failures or pool closings. Individual inspectors will determine failures and closing of pools due to non-compliance with requirements of Chapter 64E-9. Once non-compliance has been noted the appropriate personnel is informed and a time period is given to correct said violations. If violations are not corrected in stated time period there is no consequence to the offender.

Section 64E-9.017 – Enforcement, states that, “*Any public pool can be immediately posted closed by the department as not being in compliance with Chapter 64E-9, Florida Administrative Code, whenever any of the...*” listed conditions exist. While EH&ED makes use of pool closings it does not however assess administrative fines as stated in Florida Statute 381.0061.

To ensure semi-annual inspections were performed and applicable annual fees had been collected we randomly tested eight sites. All samples complied with semi-annual inspections, however one community had failed to pay the annual inspection fee, and at time of testing was two months overdue in payment. Due to the non-assessment of fines and late fees there is no inducement to ensure that communities pay their annual fees timely.

### RECOMMENDATION

Presently there is no system in effect that ensures that inspection fees are paid on time. It is therefore recommended to assess administrative fines as stated in Florida Statute 381.0061. Implementing a consequential system either through monetary fines or closing of pool sites due to non-payment of annual inspection fees would act as an incentive for timely payment as well as reduction in staff time to ensure that payments are made.

The Environmental Health & Engineering Department staff stated that they are working on implementing a consequential system, as they are in the process of reassessing and conforming the department to all applicable rules.

### Department of Health Response

We do not concur with this finding. The following billing system was used in the collection of the approximately 1400 swimming pool operating permits issued. There were only 101 pools with an outstanding balance due after July 1, 2004 or 7.2% of the facilities. After August 1<sup>st</sup> there were only 40 pools with an outstanding balance of 2.8%:

Annual operating permits are issued for swimming pools for the time period July 1<sup>st</sup> to June 30<sup>th</sup> of each year. The fee request for the annual permit was issued on May 20, 2004. The clients had a valid permit until June 30, 2004. On July 28, 2004 a final request for payment was mailed to each account with an outstanding balance. The final notice gave each delinquent pool facility until August 13, 2004. On August 23, 2004 all pool facilities which had not provided payment for their operating permit were posted closed. All active facilities have paid for their annual operating permit.

Chapter 64E-9, Florida Administrative Code has no provision for late fees in the rule.

Legal enforcement is available if the other collection procedures are not effective.

The procedure as outlined in the above description provides all of the required incentives to bring facilities into compliance.

## COLLIER COUNTY HEALTH DEPARTMENT

### RESPONSE TO MANAGEMENT ADVISORY 2004 -8

#### Recommendation:

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