



Report Highlights

Metropolitan Human Services District Department of Health and Hospitals

DARYL G. PURPERA,
CPA, CFE

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Why We Conducted This Audit

We conducted procedures at the Metropolitan Human Services District (MHSD) to evaluate certain internal controls MHSD uses to ensure accurate financial reporting and transparency, compliance with applicable laws and regulations, and to provide overall accountability for public funds.

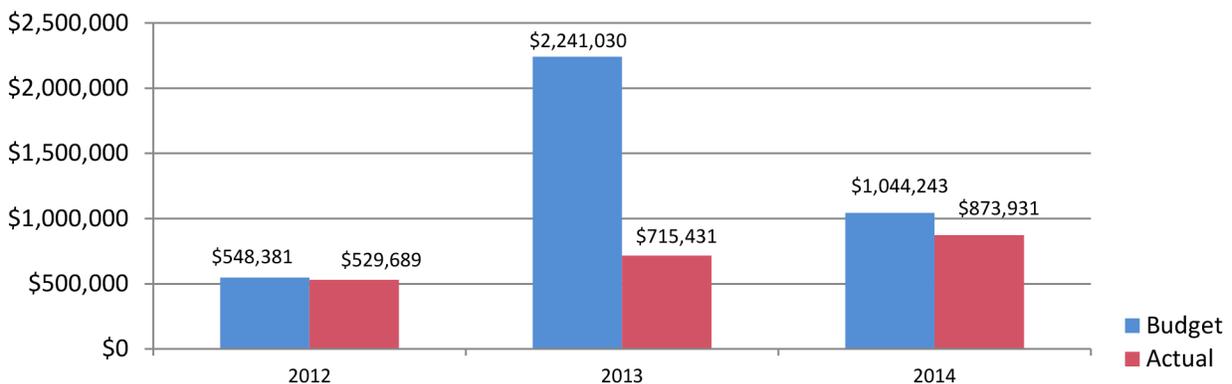
What We Found

We performed procedures on selected controls and transactions focusing on MHSD’s participation in the Louisiana Behavioral Health Partnership (LBHP). The LBHP launched on March 1, 2012, significantly changing the way MHSD delivered services and how that service delivery was funded.

- **Claims Filing** - In the second year of LBHP operation, MHSD successfully navigated the changes required by the implementation of LBHP and routinely submitted Magellan claims through Clinical Advisor and other third-party payers’ claims through a separate electronic health record system.
- **Revenue Collection** - MHSD routinely collected on the claims filed with Magellan and other third-party payers. Any previous issues with denied claims were minimized.
- **Reconciliation of Revenue to Accounting and Health Records** - MHSD reconciled revenue collected from claims to the accounting records and to client health records.
- **Self-generated Revenue Budgets** - MSHD did not achieve its budgeted self-generated revenue for either year under review. MHSD collected approximately 32% of its budgeted self-generated revenue for fiscal year 2013 and 84% for fiscal year 2014. While a larger percentage of budgeted self-generated revenue was collected in fiscal year 2014, MHSD voluntarily reduced its 2014 budget by approximately \$1.1 million to adjust for what it expected to collect (see graph below).

Fees and Self-Generated Budget to Actual Revenues

Source: ISIS reports for June 30, 2012; June 30, 2013; and June 30, 2014



View the full report at www.lla.la.gov.