

OFFICE OF PUBLIC HEALTH  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA



PROCEDURAL REPORT  
ISSUED APRIL 3, 2013

**LOUISIANA LEGISLATIVE AUDITOR  
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LOUISIANA LEGISLATIVE AUDITOR  
DARYL G. PURPERA, CPA, CFE

March 14, 2013

**OFFICE OF PUBLIC HEALTH  
DEPARTMENT OF HEALTH AND HOSPITALS  
STATE OF LOUISIANA**  
New Orleans, Louisiana

As required by Louisiana Revised Statute 24:513 and as a part of our Single Audit of the State of Louisiana for the year ended June 30, 2012, we conducted certain procedures at the Office of Public Health (OPH) for the period from July 1, 2011, through June 30, 2012.

- Our auditors obtained and documented a basic understanding of OPH's operations and system of internal controls, including internal controls over major federal programs administered by OPH, through inquiry, observation, and review of its policies and procedures documentation, including a review of the laws and regulations applicable to OPH.
- Our auditors performed analytical procedures consisting of a comparison of the most current and prior year financial activity using OPH's annual fiscal reports and/or system-generated reports and obtained explanations from OPH management of any significant variances. In addition, our auditors scheduled the expenditures and participation data of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) for the past four years for informational purposes.
- Our auditors reviewed the status of the findings identified in the prior year report dated January 5, 2012. The prior year findings relating to noncompliance with WIC program requirements, failure to comply with Commodity Supplemental Food Program requirements, unlocated movable property, and control weaknesses over equipment have been resolved.
- Based on the documentation of OPH's controls and our understanding of related laws and regulations, procedures were performed on selected controls and transactions relating to movable property, cash collections, payroll expenditures, consumable inventory, and social services contracts.
- Our auditors performed internal control and compliance testing in accordance with *Government Auditing Standards* and Office of Management and Budget

Circular A-133 on the WIC program (CFDA 10.557) and the HIV Care Formula Grants (CFDA 93.917) program for the fiscal year ended June 30, 2012, as a part of the Single Audit of the State of Louisiana.

Based on the application of the procedures referred to previously, all significant findings are included in this report for management's consideration. We found no other issues as a result of our procedures that were determined significant enough to require disclosure in this report. The finding shown below has also been included in the State of Louisiana's Single Audit Report for the year ended June 30, 2012.

While we did not perform an audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, we did perform certain procedures related to compliance with federal laws and regulations in accordance with those standards.

The Annual Fiscal Report of OPH was not audited or reviewed by us, and, accordingly, we do not express an opinion on that report. OPH's accounts are an integral part of the State of Louisiana's financial statements, upon which the Louisiana Legislative Auditor expresses opinions.

The following significant finding is included in this report for management's consideration.

### **Inadequate Subrecipient Monitoring**

OPH may have to return \$130,642 to the federal government because it failed to perform routine comprehensive fiscal and programmatic monitoring site visits and desk audits on its subrecipients of the HIV Care Formula Grants program (HIV program). The inadequate monitoring of its subrecipients prevents OPH from ensuring adherence to HIV program requirements, which includes the determination of eligibility for Louisiana AIDS Drug Assistance Program (ADAP) participants within the HIV program. Since the 11 subrecipients determine eligibility for a majority of ADAP participants, there is an increased risk that participants receiving these drugs are not eligible. Funds paid to any ineligible ADAP participant may have to be repaid to the federal grantor. Total ADAP expenditures for fiscal year 2012 totaled approximately \$21.5 million, of which over \$16 million were drug costs.

Based upon our procedures performed at OPH and one subrecipient involving ADAP participants, we found that OPH personnel relied on the screening process in place at the subrecipient for the eligibility determination. However, subrecipient personnel did not use criteria established by the ADAP guidelines, but used criteria for another program to determine eligibility. In addition, the subrecipient did not have adequate documentation to support the eligibility determinations it made for ADAP. Proper monitoring site visits and desk audits may have prevented these violations of ADAP requirements relating to eligibility determination.

The Office of Management and Budget Circular A-133 *Compliance Supplement*, Part 3, Section M requires pass-through entities to perform during-the-award monitoring to provide reasonable assurance that the subrecipient (1) used federal awards for authorized purposes; (2) complied with laws, regulations, and provisions of contracts and grant agreements; and (3) achieved performance goals.

Management should perform routine comprehensive fiscal and programmatic monitoring site visits and desk audits on the HIV Care Formula Grants program subrecipients and ensure that staff is properly trained to perform the monitoring reviews. In addition, management should ensure that current and future ADAP participants' eligibility determinations are accurate and properly documented. Management concurred with the finding and outlined a plan of corrective action (see Appendix A).

The recommendations in this report represent, in our judgment, those most likely to bring about beneficial improvements to the operations of OPH. The nature of the recommendations, their implementation costs, and their potential impact on the operations of OPH should be considered in reaching decisions on courses of action.

This report is intended for the information and use of OPH and its management, others within the entity, the Department of Health and Hospitals, and the Louisiana Legislature and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Respectfully submitted,



Daryl G. Purpera, CPA, CFE  
Legislative Auditor

FWM:CRV:EFS:THC:dl

OPH 2012

## APPENDIX A

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### Management's Corrective Action Plan and Response to the Finding and Recommendations



**State of Louisiana**  
Department of Health and Hospitals  
Office of Public Health

March 4, 2013

Daryl G. Purpera, CPA, CFE  
Legislative Auditor  
1600 North Third Street  
P.O. Box 94397  
Baton Rouge, Louisiana 70804-9397

**Re: Inadequate Sub-recipient Monitoring of HIV Care Formula Grants Program  
DHH Office of Public Health STD/HIV Program**

Dear Mr. Purpera:

Below please find the official response to the finding of "Inadequate Sub-recipient Monitoring" in the Department of Health and Hospitals Office of Public Health (DHH OPH) audit of the HIV Care Formula Grants Program (CFDA 93.917).

The DHH OPH STD/HIV Program (SHP) concurs with the finding as presented in the audit report. This concurrence is based on the agreement that the Program was not sufficiently staffed during SFY 12 (July 1, 2011–June 30, 2012), the fiscal year that was evaluated for compliance in this particular audit. Three key positions were vacant for most of the period that was evaluated.

- In June 2011, the Program Monitor resigned and the Program took this opportunity to re-write this job description, in order to comply with the current program monitoring expectations of the federal funder, Health Resources and Services Administration (HRSA) HIV/AIDS Bureau. The revision of job duties required further review and approval by the LSUHSC Human Resources Department.
- The Services Quality Manager/Program Evaluator was vacant for approximately half of the fiscal year (January-May 2012).
- The Louisiana AIDS Drug Assistance Program (LA ADAP) Coordinator position was vacated in July 2011 and until May 2012, the Treatment Access and Benefits (TAB) Coordinator (Ms. Heather Weaver, LCSW) assumed key ADAP job responsibilities in addition to her own duties. Many of these duties were further guided by the HRSA Site Visit Report from July 2011 and the subsequent Corrective Action Plan that emphasized the following priorities: 1) client enrollment in the federal Pre-existing Condition Insurance Plan (PCIP) in place of LA ADAP for those individuals who were eligible for coverage through the Health Insurance Program (HIP); 2) intense management and elimination of the LA ADAP Unmet Need (i.e., waiting) list; and 3) application for pharmaceutical manufacturer rebates to augment the resources available for low income HIV-infected clients. The emphasis on these job duties did not allow sufficient time for in-person monitoring site visits.

Below is a proposed Corrective Action Plan, including key strategies, responsible parties, anticipated completion dates, and status of each activity.

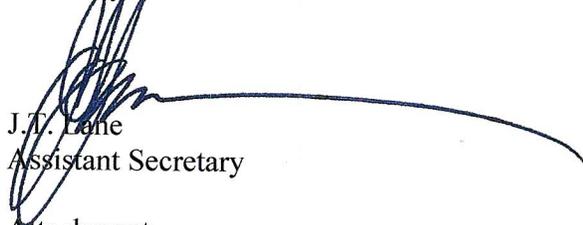
**Corrective Action Plan:**

Action Item	Responsible Party	Anticipated Completion Date	Status
Hire appropriate staff to fill the key program vacancies.	DeAnn Gruber, Kira Radtke Friedrich	July 2012	<b>Completed.</b> Jennifer Carlos Gomez, BS, RPhT, hired as ADAP Coordinator April 2012. Adrienne Warren, MPH, hired in May 2012 as Services Quality Manager/Program Monitor. Jantz Malbrue, MSPH, hired as Program Monitor in June 2012.
Bring LA ADAP client eligibility screening "in-house" to be overseen by staff at the STD/HIV Program.	Kira Radtke Friedrich, Heather Weaver, Jennifer Carlos Gomez	July 2012	<b>Completed.</b> Beginning July 1, 2012, all persons receiving services through the Louisiana ADAP have been screened for eligibility criteria by STD/HIV Program staff. Three Client Services Specialist job descriptions were created and funded in Fall 2012 to oversee client eligibility screening and re-certification every six months for LA ADAP clients; Markham Bradburn, MPH, has been hired as one FTE while interviews are being conducted for the other two vacancies.
Conduct annual monitoring site visits to all entities contracted to provide Ryan White Part B and LA ADAP services.	Heather Weaver, Jennifer Carlos Gomez, Jantz Malbrue, Adrienne Warren	March 2013	<b>Ongoing.</b> At the end of February 2013, in-person monitoring site visits have been conducted at six of the seven community-based organizations providing Ryan White Part B and HOPWA services, as well as eight of the ten LSU Medical Center pharmacies that dispense LA ADAP medications, in order to review compliance with requirements for program implementation and client eligibility screenings.

Provide continued technical assistance and training to all funded providers to emphasize State and federal program requirements.	Heather Weaver, Jennifer Carlos Gomez, Jantz Malbrue, Adrienne Warren	Continuous	<b>Ongoing.</b> During SFY 12, eight webinars and five in-person trainings were conducted by STD/HIV Program staff to train new staff and address new/emerging program issues and emphasize all eligibility screening and reporting requirements initiated by state or federal regulators.
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We are confident that any deficiencies identified through this audit are being adequately addressed and significant progress has been made in strengthening sub-recipient monitoring activities.

Sincerely,



J.T. Lane  
Assistant Secretary

Attachment

### Louisiana AIDS Drug Assistance Program (LA ADAP) Application

#### PLEASE INDICATE APPLICATION TYPE

**New Enrollment\***

**Recertification\***

Entity \_\_\_\_\_ Contact Person \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_ Clinician \_\_\_\_\_

ADAP card will be delivered TO REFERRING ENTITY by FedEx

**Please print clearly and answer ALL questions completely. Missing information will delay the review process.**

**\*Current documentation of income and Louisiana residency MUST be provided.**

**US CITIZENSHIP NOT REQUIRED**

#### CLIENT INFORMATION

Legal First Name \_\_\_\_\_ Legal Last Name \_\_\_\_\_ Date of Birth \_\_\_\_\_

Maiden Name (if applicable) \_\_\_\_\_ SSN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Phone (\_\_\_\_) \_\_\_\_\_

Street Address (include entire address) \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

May we contact you by phone?  Yes  No

Can you receive mail at this address?  Yes  No

Gender:  Male  Transgender: Male to Female  
 Female  Transgender: Female to Male  
 Transgender: Unknown

Employment Status:  Full Time  Part Time  Unemployed

~If female, are you currently pregnant?  Yes  No

Due date: \_\_\_\_\_

Household Income Source: (Documentation required for ALL household members age 18 or older. SSDI start date required if receiving SSDI)

Salary/Wages  Food Stamps/SNAP  
 Social Security (SSI)  Unemployment  
 Social Security (SSDI) **SSDI Start Date** \_\_\_\_\_  
 Certification of No Income  Affidavit  
 Other (specify source) \_\_\_\_\_

Race: (check all that apply)

White/Caucasian  Black/African American  
 Asian  Native Hawaiian/Pacific Islander  
 Amer. Indian/Alaska Native  Unknown/Other \_\_\_\_\_

Total Household Income \$ \_\_\_\_\_  Yearly  Monthly

Hispanic:  Yes  No

Marital Status:  Single  Married  Widowed  
 Divorced  Separated, Date: \_\_\_\_\_

Medicaid: Have you applied for Louisiana Medicaid/Bayou Health?

Yes  No-skip questions below

~What date did you apply? \_\_\_\_\_

~What is the Medicaid application status?

Pending  Denied  
 Approved: Bayou Health Plan  
 Approved: Other (please specify) \_\_\_\_\_

Including you, what is your household\*\*\* size? \_\_\_\_\_

**\*\*\*Household is considered any individual related by blood or legal marriage living in the same dwelling.**

Medicare: Do you have Medicare Part A and/or B?  Yes  No

PCIP: Have you applied for the Pre-existing Condition Insurance Plan?

Yes  No-skip question below

~What date did you apply? \_\_\_\_\_

Do you **currently** have health insurance coverage, including Medicaid, Medicare, PCIP, LA Health Plan, COBRA or private/group insurance?

Yes  No-skip questions below

~What is insurance name? \_\_\_\_\_

~Does insurance cover prescriptions?  Yes  No-skip questions below

~Does insurance have prescription cap?  Yes  No-skip questions below

Cap Limit \$ \_\_\_\_\_  Yearly  Monthly  Brand

In the **past 6 months**, have you had health insurance coverage, including Medicaid, Medicare, PCIP, LA Health Plan, COBRA or private/group insurance?  Yes  No-skip question below

~What was insurance name? \_\_\_\_\_

**\*Income documentation required for all household members age 18 or older\***

Assets: Do you have assets greater than \$4,000, not including one (1) house and one (1) automobile?  Yes  No

Veteran: Are you a veteran?  Yes  No-skip questions below

~Do you receive care at any V.A. facility?  Yes  No

~Do you receive any CHAMPVA program benefits?  Yes  No

~Do you receive any TRICARE/CHAMPUS program benefits?  Yes  No

COMMENTS: \_\_\_\_\_

**Client Certification & Release:** To the best of my knowledge the above information is accurate and complete as of today's date. I understand that falsification of information may lead to suspension or termination of services through LA ADAP. I authorize that LA ADAP may contact me, my physician, case manager, social worker, hospital, pharmacy, CMS, SSA, insurance company or applicable drug company programs to obtain information concerning my care, treatment, and services for the purposes of eligibility for LA ADAP. LA ADAP may also provide my basic demographic information to LSU administration in order that I may be assigned a medical record number and be exempt from the standard administration procedure. I understand that my information may be stored in an electronic database accessible by other Louisiana agencies from which I receive HIV services.

Client Signature \_\_\_\_\_ Date \_\_\_\_\_

**Entity Certification:** By my signature below, I certify that the purpose of this application and the above Client Certification & Release has been explained to the client and that to the best of my knowledge the above information is accurate and complete as of today's date.

Entity Representative Signature \_\_\_\_\_ Date \_\_\_\_\_

**Louisiana AIDS Drug Assistance Program (LA ADAP) Application**

**THIS FORM MUST BE COMPLETED AND SIGNED BY THE PRESCRIBING CLINICIAN**

Please print clearly and answer ALL questions completely. Missing information will delay the review process.  
US CITIZENSHIP NOT REQUIRED

Legal First Name \_\_\_\_\_ Legal Last Name \_\_\_\_\_ Date of Birth \_\_\_\_\_

Maiden Name (if applicable) \_\_\_\_\_ SSN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Phone ( \_\_\_\_\_ ) \_\_\_\_\_

**A. MEDICAL INFORMATION**

1. Has the patient received medical treatment at your clinic/medical center within the last 6 months?

- Yes (continue to question 2)       No (skip to section C)

2. What is the patient's current HIV disease status?

- HIV+, not-AIDS      HIV Diagnosis Date \_\_\_\_\_  
 HIV+, AIDS status unknown      HIV Diagnosis Date \_\_\_\_\_  
 CDC-defined AIDS\*      HIV Diagnosis Date \_\_\_\_\_      AIDS Diagnosis Date \_\_\_\_\_

\*both HIV diagnosis date and AIDS diagnosis date are required (even if the same date) if status is classified as CDC-defined AIDS

3. Provide most recent lab values AND regimen at time of labs in space provided. (Do not attach lab results).

LABS MUST BE WITHIN THE LAST 6 MONTHS. (Please note if most recent lab results are pending.)

Date Drawn	Results Pending?	CD4	CD4%	Viral load	SGOT/SGPT	Creatinine	ARV regimen at time of labs

4. List all medications patient is currently taking, including dosage. (If more space is needed it is ok to attach medication list)

HIV Antiretrovirals	Opportunistic Infection Medications	Other medications including OTC

**B. HEALTH INSURANCE INFORMATION**

Does the patient have any of the following health insurance coverage? (check all that apply)

- Medicaid       Medicare       LA Health Plan       No health insurance coverage  
 COBRA       PCIP       Private/Group Insurance: \_\_\_\_\_

**C. TREATMENT DISCONTINUATION INFORMATION (complete only if you answered 'no' to question 1 in section A)**

Clinician no longer prescribing ARV and/or OI medication to this patient because he/she:

- has been out of medical care 6 months or more       has relocated out of state       is not on ARV or OI medication  
 is deceased as of \_\_\_\_\_       is incarcerated as of \_\_\_\_\_       Other \_\_\_\_\_

Clinic/Medical Center Name \_\_\_\_\_ Contact Person (Please Print) \_\_\_\_\_ Phone ( \_\_\_\_\_ ) \_\_\_\_\_ Fax ( \_\_\_\_\_ ) \_\_\_\_\_

Clinician certification: to the best of my knowledge the above information is accurate as of today's date.

Clinician Name (Please Print) \_\_\_\_\_ Clinician Signature \_\_\_\_\_ Date \_\_\_\_\_

Complete & return to LA ADAP via fax (504) 568-3157

Questions? Please Call (504) 568-5448