

STATE OF CONNECTICUT



*AUDITORS' REPORT
DEPARTMENT OF PUBLIC HEALTH
FISCAL YEARS ENDED JUNE 30, 2018 AND 2019*

AUDITORS OF PUBLIC ACCOUNTS
JOHN C. GERAGOSIAN ❖ CLARK J. CHAPIN

EXECUTIVE SUMMARY	ii
COMMENTS	2
FOREWORD	2
SIGNIFICANT LEGISLATION.....	3
RÉSUMÉ OF OPERATIONS	4
General Fund	4
Federal and Other Restricted Fund.....	5
Insurance Fund	5
Capital Equipment Purchase Fund	6
Special Revenue Fund – Small Town Economic Assistance Program (STEAP)	6
Non-Capital Improvement & Other Projects Fund – Community Conservation and Development Fund	6
Capital Projects Funds – Capital Improvements and Other Purposes.....	6
Biomedical Research Trust Fund	6
Drinking Water Federal Loan Fund	6
STATE AUDITORS’ FINDINGS AND RECOMMENDATIONS.....	8
Issues with Compensatory Time and Overtime.....	8
Temporary Staffing Issues.....	10
Improper Leave Time Increments	11
Inaccurate Benefit Service Dates.....	12
Unfilled Vacant Positions.....	13
Lack of Proper Controls Regarding Position Changes.....	13
Inadequate Administration of Leave Request Authorizations and Improper Use of Time Reporting Codes	15
Lack of Timely Contract Execution and Purchase Order Approvals.....	17
Inadequate Administration of Revenues and Remittances.....	19
Property Control and Reporting Deficiencies	21
Inadequate Administration of the Expired Pharmaceuticals Inventory.....	23
Inadequate Telecommunications Management	24
Lack of Compliance with Statutory Reporting Requirements	25
Disaster Recovery Issues.....	28
EMS Data Collection Program Issues.....	29
Annual Report to the General Assembly on Quantifiable Outcome Measures.....	32
Contracts and Grants Management: Contractor Evaluations and Certifications.....	34
Practitioner Licensing Complaints – Conflicts of Interest	36
Lack of Risk Management Function	37
Lack of Administrative Oversight on Boards and Commissions	39
Outdated State Regulations	42
Immunization Program – Changes to Records Retention Policy	42
RECOMMENDATIONS	44
Status of Prior Audit Recommendations:	44
Current Audit Recommendations:	48
ACKNOWLEDGMENTS	54

November 4, 2021

EXECUTIVE SUMMARY

In accordance with the provisions of Section 2-90 of the Connecticut General Statutes, we have audited certain operations of the Department of Public Health (DPH) for the fiscal years ended June 30, 2018 and 2019. Our audit identified internal control deficiencies; instances of noncompliance with laws, regulations, and policies; and the need for changes in management practices that warrant the attention of management. The significant findings and recommendations are presented below:

<u>Page 16</u>	We continued to note internal control weaknesses during our review, including several contracts executed after their start date and purchase orders that did not have sufficient funding committed at the time services were provided. DPH should comply with Section 4-98 of the General Statutes by strengthening internal controls to ensure that it properly executes contracts and purchase orders and commits funds before ordering goods and services. (Recommendation 8.)
<u>Page 18</u>	Our review noted internal control weaknesses related to revenues and remittances, including inadequate cash receipts logs, a lack of segregation of duties, and insufficient security over the handling of checks received. DPH should strengthen internal control procedures to ensure that adequate segregation of duties exist over the receipt, recording, and depositing of revenues. (Recommendation 9.)
<u>Page 20</u>	Our review disclosed errors in the department's maintenance and reporting of property inventory, including unsupported inventory balances, misstated equipment additions and deletions, unsupported equipment dispositions, inappropriate expensing or capitalization of certain items, physical locations not in agreement with the inventory record, an item that could not be located, a lack of segregation of duties over information technology inventory, and incomplete software inventory records. DPH should ensure that internal controls over the custody and reporting of its assets are appropriately designed and implemented. (Recommendation 10.)
<u>Page 22</u>	The department did not effectively monitor returned pharmaceuticals to ensure it received the appropriate credits due. DPH should implement procedures to ensure that returned pharmaceuticals are accurately tracked and reconciled. (Recommendation 11.)
<u>Page 24</u>	The department did not submit five statutorily required reports and submitted 12 reports late. DPH should continue to implement its centralized system to track statutory reporting requirements and submit required reports on time. (Recommendation 13.)
<u>Page 27</u>	The department does not have current continuity of operations and information technology disaster recovery plans. DPH should ensure that its continuity of operations and information technology disaster recovery plans are current, tested, and approved. (Recommendation 14.)

Executive Summary

Page 32

The department did not complete contractor evaluations within 60 days of the contract end date. Contractors did not promptly submit evaluations for 14 of 83 contracts reviewed, totaling \$11,391,835. Signed OPM certifications and affidavits were not included in 4 of 20 contracts reviewed, totaling \$10,724,524. DPH should promptly perform contractor evaluations related to personal services agreements and purchase of service agreements to better assess the contractor's quality of work, reliability, and cooperation.

The department also should ensure that it obtains certifications and affidavits as required by Section 4-252 of the General Statutes and Executive Order No. 49. (Recommendation 17.)

Page 35

The department lacks a dedicated and ongoing risk assessment and mitigation function and formal monitoring procedures. Unchecked risks that could have been anticipated and avoided by periodic assessments may result in operational ineffectiveness, additional costs and liabilities, and exposure to fraud. DPH should develop or acquire a formal risk assessment and mitigation process to identify and address risks that could impact its operational and reporting objectives. This process should be independent, formal, and ongoing. (Recommendation 19.)

Page 37

Certain DPH boards did not effectively fulfil some of their notification, meeting, and membership obligations. DPH should work with its related boards to ensure that they submit meeting schedules to the Office of the Secretary of the State, maintain meeting schedules and required membership, hold regular meetings, and keep all appointment letters for their members on file. (Recommendation 20.)

STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

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November 4, 2021

AUDITORS' REPORT DEPARTMENT OF PUBLIC HEALTH FISCAL YEARS ENDED JUNE 30, 2018 AND 2019

We have audited certain operations of the Department of Public Health in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2018 and 2019. The objectives of our audit were to:

1. Evaluate the department's internal controls over significant management and financial functions;
2. Evaluate the department's compliance with policies and procedures internal to the department or promulgated by other state agencies, as well as certain legal provisions; and
3. Evaluate the effectiveness, economy, and efficiency of certain management practices and operations, including certain financial transactions.

Our methodology included reviewing written policies and procedures, financial records, minutes of meetings, and other pertinent documents; interviewing various personnel of the department; and testing selected transactions. Our testing was not designed to project to a population unless specifically stated. We obtained an understanding of internal controls that we deemed significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contracts, grant agreements, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted this performance audit in accordance with the generally accepted government auditing standards. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings based on our audit objectives.

The accompanying Résumé of Operations is presented for informational purposes. This information was obtained from various available sources including, but not limited to, the department's management and the state's information systems, and was not subjected to the procedures applied in our audit of the department. For the areas audited, we:

1. Identified deficiencies in internal controls;
2. Identified apparent non-compliance with laws, regulations, contracts and grant agreements, policies and procedures; and
3. Identified a need for improvement in management practices and procedures that we deemed to be reportable.

The State Auditors' Findings and Recommendations section of this report presents findings arising from our audit of the Department of Public Health.

COMMENTS

FOREWORD

The Department of Public Health (DPH) operates primarily under the provisions of Title 19a, Chapters 368a through 368l, 368r, 368v, 368x, and Title 20, Chapters 369 through 388, 393a, 395, 398, 399, 400a and 400c of the General Statutes.

The DPH statutory responsibility statement states that the department "...is the center of a comprehensive network of public health services, and in partnership with local health departments, provides coordination and access to federal initiatives, training and certification, technical assistance and oversight, and specialty public health services that are not available at the local level." DPH is a source of up-to-date health information and analytics for the Governor, General Assembly, federal government and local communities. This data is used to monitor the health status of Connecticut's residents, set health priorities and evaluate the effectiveness of health initiatives. The department is a regulator focused on positive health outcomes and ensuring quality and safety, while also minimizing the administrative burden on the personnel, facilities and related programs. According to its Healthcare Quality and Safety Branch Statement, DPH "regulates access to health care professions and provides regulatory oversight of health care facilities and services."

The Department of Public Health is administered by a commissioner appointed by the Governor under Sections 4-5 to 4-8 of the General Statutes. Raul Pino, M.D. was appointed commissioner on February 11, 2016 and served in that capacity until May 6, 2019. Renée Coleman-Mitchell was appointed commissioner on February 22, 2019 and served in that capacity through May 11, 2020. Deidre S. Gifford, M.D. was appointed acting commissioner on May 12, 2020 and served in that capacity through September 17, 2021. Manisha Juthani, M.D. was appointed commissioner on July 26, 2021. She began her role at DPH on September 20, 2021.

The DPH commissioner is responsible for the department's operation and administration, including the state's health laws and public health code. Under the provisions of Section 19a-14 of the General Statutes, DPH is also responsible for all administrative functions related to various boards and commissions and the licensing of regulated professions. These boards and commissions assist the department in setting standards for the professions, examining applicants for licensure, and disciplining any license holder who has been found to engage in illegal, incompetent, or negligent conduct.

SIGNIFICANT LEGISLATION

- **Public Act 17-2 of the June Special Session (Section 164)**, effective January 1, 2018, established an Office of Health Strategy (OHS) responsible for developing and implementing a comprehensive and cohesive health care vision for the state, including but not limited to, a coordinated state health care cost containment strategy. The act placed the office under the Department of Public Health for administrative purposes only.
- **Public Act 17-2 of the June Special Session (Sections 234 and 235)**, effective October 1, 2017, increased the maximum civil penalties for nursing home facilities and residential care homes that violate statutory or regulatory requirements from \$5,000 to \$20,000 for a Class A violation and from \$3,000 to \$10,000 for a class B violation. Class A violations are actions that present an immediate danger of death or serious harm to a patient. The act changed the definition of Class B violations to actions that present a potential, instead of a probability, for death or serious harm to a patient in the foreseeable future.
- **Public Act 17-2 of the June Special Session (Sections 674 and 675)**, effective April 1, 2018, required a person who establishes, conducts, operates, or maintains an urgent care center to obtain an outpatient clinic license from DPH. The act also required outpatient clinics to renew their license every three years instead of every four years.
- **Public Act 18-91**, effective May 14, 2018, made minor, technical, and conforming changes to various Office of Health Strategies (OHS) related statutes. The act also transferred administration of the Office of Health Care Access from DPH to OHS and renamed it the Health Systems Planning Unit (HSPU). Among other things, HSPU administers the state's certificate of need program for health care institutions.
- **Public Act 18-166 (Section 5)**, effective, July 1, 2018, required hospitals or emergency medical services personnel treating a patient for an opioid overdose to report the overdose to DPH starting in 2019, and required DPH to report such data to the local health department or district starting in 2020.
- **Public Act 18-169 (Section 5)**, effective June 14, 2018, required DPH to collaborate with local health directors to develop a process allowing for reciprocal licensing of itinerant food vending establishments that have a license or permit from the local health director and seek to operate in a different municipality.

RÉSUMÉ OF OPERATIONS

General Fund

General Fund receipts during the audited period follow:

Receipts:	Fiscal Years Ended June 30,		
	2017	2018	2019
Licensure, Registration and Inspection Fees	\$ 36,076,549	\$ 37,003,415	\$ 40,590,114
Title XIX State Survey and Medicaid Funds	2,830,760	3,974,869	3,528,006
Expenses Recovered, Hospitals	3,199,878	3,776,640	61,782
Fees for Laboratory Services	342,069	4,885,353	4,428,404
Birth, Marriage, and Death Certificates	260,285	298,430	329,041
Fines, Civil Penalties, and Court Costs	484,822	469,215	802,668
Miscellaneous	18,003	47,838	6,546
Refunds of Expenditures	631,788	349,488	326,860
Refunds of Processing Fees and Other	(454,628)	(491,028)	(554,734)
Total Receipts	\$ 43,389,526	\$ 50,314,220	\$ 49,518,687

Hospitals, nursing facilities, and intermediate care facilities for individuals with intellectual disabilities (ICF/IID) that serve Medicaid patients must meet prescribed health and safety standards. A Medicaid agency may not execute a provider agreement or make Medicaid payments to a facility unless the state survey agency has certified that the facility meets the prescribed standards. DPH performs these surveys and receives the Title XIX State Survey and Medicaid Funds for this purpose.

General Fund expenditures during the audited period follow:

Expenditures:	Fiscal Years Ended June 30,		
	2017	2018	2019
Salaries and Wages	\$ 33,716,315	\$ 33,396,592	\$ 33,166,724
State Aid and Other Grants	17,449,867	16,962,473	16,740,428
Purchased Commodities	1,315,833	1,712,283	1,748,978
Premises and Property Expense	2,679,249	2,778,402	2,936,547
Professional Services	253,611	200,138	313,573
Other Services	586,960	564,982	478,859
Information Technology	473,932	533,751	735,293
Rental and Maintenance – Equipment	358,017	979,502	774,673
Other Miscellaneous Expenditures	641,379	708,177	530,020
Total Expenditures	\$ 57,475,163	\$ 57,836,300	\$ 57,425,095

Federal and Other Restricted Fund

Federal and Other Restricted Fund receipts totaled \$131,364,225 and \$151,085,809 for the fiscal years ended June 30, 2018 and 2019, respectively. The largest federal program was the federal Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which averaged receipts of approximately \$40,109,624 over the two fiscal years under review.

Federal and Other Restricted Fund expenditures for the audited period follow:

Expenditures:	Fiscal Years Ended June 30,		
	2017	2018	2019
Grants and Grant Transfers	\$ 59,655,598	\$ 64,587,926	\$ 64,663,610
Personnel Services and Employee Benefits	38,054,329	35,103,878	38,050,088
Purchased Commodities	27,688,455	25,851,764	29,573,726
Other Charges	5,145,267	7,339,552	7,036,330
Information Technology	5,840,210	4,672,975	5,969,294
Other Services	2,029,095	2,680,734	3,296,078
Professional, Scientific, & Technical Services	1,787,074	1,583,389	1,708,342
Other Miscellaneous Expenditures	2,532,041	2,392,242	2,281,776
Total Expenditures	\$ 142,732,069	\$ 144,212,460	\$ 152,579,244

Purchased Commodities was comprised primarily of food and beverage charges of the Special Supplemental Nutrition Program for the Women, Infants, and Children (WIC) grant.

Insurance Fund

Insurance Fund expenditures for the audited period follow:

Expenditures:	Fiscal Years Ended June 30,		
	2017	2018	2019
Purchased Commodities	\$ 34,645,002	\$ 40,905,958	\$ 64,663,610
Fixed Charges	6,501,827	9,514,087	8,810,564
Other Services	610,185	675,788	420,429
Personal Services and Employee Benefits	573,616	820,125	975,932
Other Miscellaneous Expenditures	47,888	23,864	4,426
Total Expenditures	\$ 42,378,518	\$ 51,939,822	\$ 57,252,591

These expenditures were primarily for the purchase of vaccines, drugs, and pharmaceuticals for tuberculosis and sexually transmitted diseases. Fixed Charges expenditures were composed of state aid grants for AIDS services, and the Breast and Cervical Cancer Detection Treatment and Needle and Syringe Exchange programs.

Capital Equipment Purchase Fund

Capital Equipment Purchase Fund expenditures totaled \$212,022 and \$611,356 for the fiscal years ended June 30, 2018 and 2019, respectively. Most of these funds were used to purchase new and replacement medical equipment for the laboratory.

Special Revenue Fund – Small Town Economic Assistance Program (STEAP)

Grant expenditures to nonprofit providers and community health agencies for facility improvements totaled \$9,733,019 and \$1,635,569 for the fiscal years ended June 30, 2018 and 2019, respectively. These grants are from the Small Town Economic Assistance Program (STEAP) to support local economic development, community conservation, and quality of life projects. STEAP funds can be used only for capital projects and cannot be used for programmatic or recurring budget expenditures. As a result, fiscal year expenditures vary based upon the approval and eligibility of projects.

Non-Capital Improvement & Other Projects Fund – Community Conservation and Development Fund

State aid grants funded from the Non-Capital Improvement and Other Projects Fund totaled \$1,495,724 and \$8,361,392 for the fiscal years ended June 30, 2018 and 2019, respectively.

Capital Projects Funds – Capital Improvements and Other Purposes

Capital Projects Funds expenditures for the audited period were as follows:

Expenditures:	Fiscal Years Ended June 30,		
	2017	2018	2019
DPH – New Laboratory	\$ 228,714	\$ 157,750	\$ 7,835
IT Capital Investment Program	480,843	479,864	30,111
Total Expenditures	\$ 709,557	\$ 637,614	\$ 37,946

Biomedical Research Trust Fund

Under Section 19a-32c of the General Statutes, DPH may make grants-in-aid from the trust fund to eligible institutions to fund biomedical research in the fields of heart disease, cancer, and other tobacco-related diseases; Alzheimer’s; stroke; and diabetes. Biomedical Research Trust Fund expenditures totaled \$151,904 and \$111,054 for the fiscal years ended June 30, 2018 and 2019, respectively.

Drinking Water Federal Loan Fund

Section 22a-477(s) of the General Statutes provides that amounts in the drinking water federal revolving loan account of the Clean Water Fund shall be available to the commissioner of Public Health to provide financial assistance to any recipient for construction of eligible DPH-approved drinking water projects. Drinking Water Federal Loan Fund expenditures totaled \$30,322,071 and \$41,009,708 for the fiscal years ended June 30, 2018 and 2019, respectively. The financial

statements of the State of Connecticut Clean Water Fund – Drinking Water Federal Revolving Loan Account are audited by independent public accountants.

STATE AUDITORS' FINDINGS AND RECOMMENDATIONS

Our examination of the records of Department of Public Health disclosed the following 22 recommendations, of which 18 have been repeated from the previous audit:

Issues with Compensatory Time and Overtime

Criteria: The Department of Public Health Employee Handbook states, "All overtime work or compensatory time, except in emergency situations, must receive prior management approval."

Collective bargaining contracts define which employees are permitted to earn overtime or compensatory time. In instances that would create a hardship for an agency to grant compensatory time and complete all responsibilities, approval may be granted by the Secretary of the Office of Policy and Management to pay straight overtime.

The Department of Administrative Services (DAS) Management Personnel Policy 06-02 and the Office of Policy and Management (OPM) provide that an agency head may grant compensatory time to managers for unique situations. The manager or confidential employee must obtain advance written authorization from the agency head or a designee to work extra hours and record them as compensatory time. The authorization must include the employee's name and outline the reason for the compensatory time. The department must retain proof of the advance authorization in the employee's personnel file for audit purposes.

Prudent business practices suggest that controls over compensatory time and overtime should ensure that recorded hours are valid, properly authorized, and completely and accurately recorded.

Condition: DPH did not adequately support its compensatory time and overtime processes with preauthorization forms and management approvals.

In testing 20 instances of earned compensatory time to supporting preapproval forms, we noted the following exceptions:

- Preapproval forms were not found in three instances
- Preapproval forms were not approved in advance in eight instances
- Management approval was not present in two instances
- The reason for the compensatory time was not documented in one instance

Our review of 40 employees who earned compensatory time and overtime in the same fiscal year identified the following exceptions:

- Two ineligible employees earned compensatory time
- One ineligible employee received overtime pay.

Effect: Accountability over personnel costs is negatively affected when employees are credited with compensatory time and overtime hours without obtaining prior authorization or properly providing the rationale for earning such time.

Cause: DPH did not use proper administrative oversight to ensure the preapproval of overtime and compensatory time and the retention of sufficient documentation to support the approvals. In addition, it appears that DPH did not exercise adequate oversight in the Core-CT assignment of compensatory time plans for certain employees.

Prior Audit Finding: This finding has been previously reported in the last four audit reports covering the fiscal years ended June 30, 2010 through 2017.

Recommendation: The Department of Public Health should properly approve and sufficiently document overtime and compensatory time. In addition, the department should ensure that ineligible employees do not receive overtime or compensatory time. (See Recommendation 1.)

Agency Response: “A new policy was established in July of 2018. The policy require that staff complete a DPH Overtime/Compensatory Time Request and Authorization Form in advance of performing time and effort for overtime or compensatory time. The request is pre-approved by the staff supervisor and manager of the section. At the end of the reporting period, the staff will complete the actual hours worked and submit the completed form to the supervisor and manager for approval. The approved actual actuals submitted to the payroll unit through a designated email address established for this purpose. The hours are now entered by the payroll unit upon receipt of the completed authorization form. Forms are sent to a designated inbox which is regularly monitored.

Daily audits of overtime and compensatory time earned entries are conducted to ensure there is a corresponding form to every entry. Any entries which were not authorized are deleted by the payroll unit. Notification is then sent to the employee, and supervisor to ensure authorization is obtained before payroll makes the entry and issues payment.

Payroll performed an audit of employee records in August of 2018 to update time reporter information ensuring ineligible (exempt per bargaining unit salary caps) employees do not receive overtime.

Records are now reviewed upon hire, transfer, and promotion to deactivate overtime if an employee is deemed exempt. DPH believes the new controls eliminate this issue. Policy relaxed March of 2020 due to COVID.”

Temporary Staffing Issues

Background: The Department of Public Health (DPH) secures temporary staffing to meet the short-term operational needs of various programs based on the availability of funds.

Criteria: The Department of Administrative Services’ statewide contract provides for the purchase of temporary office services. The contract stipulates that an agency may not request services for longer than six months per fiscal year for any single position.

Condition: DPH does not have internal control policies and procedures in place to monitor its temporary staffing payments as well as hiring, termination, and six-month maximum dates.

The fiscal unit is not informed of temporary employee termination dates, leaving encumbered funds open on purchase orders.

Effect: Inappropriate payments may be made if temporary employees exceed the six-month limit.

Program funding may not be expended because it is encumbered by an open purchase order that was not closed upon temporary staff termination.

Cause: A lack of administrative controls and management oversight contributed to this condition.

Prior Audit Finding: This finding has not been previously reported.

Recommendation: The Department of Public Health should establish policies and procedures to monitor its temporary employees hired on state contract. (See Recommendation 2.)

Agency Response: “The department agrees with this finding. In October 2020, fiscal developed and implemented a tracking spreadsheet tool to monitor and administer temporary employee service procurements for DPH short term operational needs. This spreadsheet includes information such as PO number, Name, Job title, Work Term, SID, Project, Budget reference, supervisor, hourly

rate, total obligation. Furthermore, the spreadsheet is uniquely featured to indicate timelines and flag the reviewer with timelines and response action. This spreadsheet is updated regularly and constantly monitored to ensure compliance. Prior to the end of the work term of the temp staff, fiscal communicates with the temporary staff supervisor to remind him/her of the end date of the assignment and see what follow up is necessary.”

Improper Leave Time Increments

Criteria: Proper internal controls require the review and approval of timesheets to ensure accuracy and compliance with bargaining unit contracts.

The following bargaining unit contracts include requirements for the minimum increment of leave time employees can charge:

- Administrative Clerical – Vacation leave must be used in minimum increments of one hour
- Paraprofessional Health Care – Vacation leave must be used in minimum increments of one hour
- Maintenance and Service – Vacation leave must be used in minimum increments of 30 minutes
- Managerial – Vacation and personal leave must be used in minimum increments of 15 minutes

Condition: Our review of bargaining unit contracts and Core-CT leave time identified 87 instances in which employees used leave time in increments that were less than the minimum established for employees in the Administrative Clerical, Paraprofessional Health Care, Maintenance and Service, and Managerial bargaining units.

Effect: The use of leave time in increments less than the mandated minimum is a violation of the bargaining unit contracts.

Cause: There is a lack of proper management oversight.

Prior Audit finding: This finding has not been previously reported.

Recommendation: The Department of Public Health should improve controls over the review and approval of timesheets to ensure compliance with bargaining unit contracts. (See Recommendation 3.)

Agency Response: “The department agrees with this finding. The department will implement increased communication and awareness to Branch and Section Chief to

ensure that leave requests for staff are approved in accordance with the bargaining unit contracts requirement. The department will also develop and implement additional control measures to address the finding including the use of enhanced leave request form and periodic review of approved leaves to ensure compliance.”

Inaccurate Benefit Service Dates

- Background:* State agencies calculate employees’ benefit service date (BSD) to determine their qualification for various increments of vacation time based on accumulated state employment. The calculation is routinely processed within Core-CT based on parameters relating to the employee’s work specifications and bargaining unit contracts. However, manual adjustments are sometimes required, particularly in cases of transfers between agencies and/or bargaining units, rehire, or transition between full and part-time. The number of factors that can affect the manual calculation can make it potentially complex and subject to error.
- Criteria:* The benefit service date should represent the aggregate time of paid employment with state agencies, subject to applicable collective bargaining modifications.
- Condition:* A review of the benefit service date calculations for six rehired employees during the audited period identified two employees with BSD errors.
- Effect:* Errors of great significance could result in the accrual and payment of unearned vacation time.
- Cause:* Benefit service date calculations for rehired employees are prone to potential errors, especially if there has been a long separation between state positions. This is caused by a difficulty in obtaining records of prior state employment to verify periods of service.
- Prior Audit Finding:* This finding has been previously reported in the last audit report covering the fiscal years ended June 30, 2016 and 2017.
- Recommendation:* The Department of Public Health should ensure a timely and thorough review of benefit service date calculations for rehired employees at or near their rehiring. The department should formalize and standardize its documentation procedures for any service date calculation or adjustment to Core-CT. (See Recommendation 4.)
- Agency Response:* “The department agrees with the findings. 2016-2017 and 2018-2019, we do not know about the staffing level for HR and Payroll for these time periods. We are only aware of the low HR staffing levels for HR during the fiscal 2020-2021. The audit findings also note that the cases cited involve

rehired individuals. DPH Human Resources must also rely on documentation from other agencies; accurate calculation of benefit service date relies on the timeliness and accuracy of information from other agencies. Based on the current process, the payroll officer has been flagging potential discrepancies for review and needed corrections.”

Unfilled Vacant Positions

Criteria: The Department of Public Health Human Resources Recruitment Process policy HR-04-000 states that unless there are unusual or unforeseen circumstances, the department should offer a position within 60 days from when a branch or section initiates a Personnel Action Form (PAF) to the time a candidate receives a job offer.

Good business practice dictates that vacant positions be filled in a timely and efficient manner.

Condition: DPH did not promptly fill vacant positions that were approved by the Office of Policy and Management (OPM) and the Department of Administrative Services (DAS).

Context: Our review of 45 approved vacant positions as of June 30, 2019, revealed that the agency did not fill 25 positions as of September 30, 2019.

Effect: Understaffed DPH units experience excessive workloads.

Cause: DPH does not complete Personnel Action Forms in a timely manner. In addition, the lack of adequate staffing in the human resources and affirmative action units contributed to this condition.

Prior Audit Finding: This finding has not been previously reported.

Recommendation: The Department of Public Health should comply with its Human Resources Recruitment Process policy to ensure that it efficiently uses personnel and promptly fills approved vacant positions. (See Recommendation 5.)

Agency Response: “The Department agrees with this finding. DPH top priority is to respond to vacancy gaps and recruitment needs. Since October of 2020, the agency has processed 114 position actions including new hires, rehires, promotions and transfers.”

Lack of Proper Controls Regarding Position Changes

Criteria: The Department of Administrative Services (DAS) Form CT-HR-28 requires that any position hold extension for employees on extended leaves of absence be requested in writing and approved by the agency head. In

addition, the expected return date of a leave of absence must be reflected in Core-CT.

Section 5-227a of the General Statutes states that, whenever an employee's position in the classified service is reclassified, the promotion of the employee shall be made without examination provided: (1) The employee meets the minimum qualifications established by the commissioner of Administrative Services for the career progression level of the reclassified position; (2) the employee has maintained an adequate performance record and has received a satisfactory appraisal on the two most recent consecutive performance evaluations; (3) the employee has worked at the existing level in the current position for a minimum period of six months; and (4) the reclassified position is approved by the commissioner of Administrative Services.

Performance appraisals assist management in assessing employee job performance using established standards. Standard business practice advocates that supervisors evaluate employee job performance in writing at least once each year.

Condition:

A review of position changes for ten employees identified the following exceptions:

- An employee was appointed to a new position from April 15, 2019 to October 14, 2019, while the employee's original position was held. The employee continued to work in the appointed position beyond October 14, 2019, but the request date for a position hold extension was not made until October 23, 2019, which was seven business days late. Also, the department did not obtain approval from the DPH and DAS commissioners until October 25, 2019, which was nine business days after the extension start date. Additionally, DPH did not update Core-CT to reflect the employee's expected return date.
- DPH promoted an employee without an annual performance evaluation by reclassification on March 1, 2019. The department completed the employee's last evaluation on September 28, 2016.

Effect:

A classified position was held without proper approvals.

The promotion by reclassification was not in compliance with Section 5-227a of the Connecticut General Statutes

The absence of written performance appraisals significantly diminishes management's ability to develop employee performance plans, track employee career development, and form a basis for personnel decisions.

Cause: The DPH administrative controls are inadequate.

Prior Audit Finding: This finding has not been previously reported.

Recommendation: The Department of Public Health should ensure that it obtains proper approval prior to holding any classified positions. The department also should ensure that it completes annual performance appraisals for all of its employees. (See Recommendation 6.)

Agency Response: “Since January 2021, audits were completed to address the backlog. Evaluation processed was streamlined with communication to sections on evaluation requirements, tracking now in place. Notification sent to sections monthly on working test periods on initial, promotional, and mid-working test periods. Along with the working test periods that were audited and logged over 130 CORE corrections, these working test period issues were all resolved February 2021.

There are several job data changes that were not completed for several months to years. We have conducted audits and working to address these issues. Currently, the HR unit is working on the service ratings backlog, with 508 service ratings to be logged into CORE.”

Inadequate Administration of Leave Request Authorizations and Improper Use of Time Reporting Codes

Criteria: The Department of Public Health utilizes the DPH 5/08 Leave Request Form to document employee requests and supervisor authorization of paid and unpaid leave. If approved, the supervisor signs and retains the form, and returns an approved copy to the employee. The employee then records the approved time through the Core-CT self-service reporting process. The Human Resources unit reviews unpaid leave requests and processes them in accordance with Sections 5-248-1 through 5-248-6 of the Regulations of Connecticut State Agencies.

Section 5-240-5a(f) of the State Regulations permits the appointing authority to place an employee on a leave of absence with pay for up to 15 days to permit an investigation of alleged serious misconduct, which could constitute just cause for dismissal under Section 5-240-1a(c) of the General Statutes.

Section 5-240-5a(h) of the State Regulations permits the appointing authority to place an employee on administrative leave with pay for up to 30 days, which may be extended for an additional 30 days upon request of the appointing authority and approval of the commissioner of Administrative Services, pending disposition of criminal charges, the

pendency of which would hamper the completion of an independent administrative judgement and which, upon conviction of an employee, would constitute just cause for dismissal under Section 5-240-1a(c) of the State Regulations.

Under the Core-CT time reporting codes (TRC) job aid Leave Other Paid (LOPD), state employees are paid for leave for general use, such as fire duty, Red Cross volunteering, and civil leave when the absence is unrelated to state duties. The appropriate override reason code should be used in conjunction with this time reporting code to better define the reason for the absence.

Condition: Our review of recorded paid and unpaid leave time for 16 employees during the audited period identified the following exceptions:

- Supporting documentation for one employee who charged 18 hours of paid administrative leave was not available
- Leave requests for one employee were not submitted or approved until six months after the leave was taken, and the auditors requested supporting documentation
- One employee was placed on paid administrative leave for 140 days
- In seven instances, LOPD was used but not subsequently adjusted to reflect the actual override reason code used

Effect: Inadequate monitoring of time reporting codes could result in employees using more leave time than they have earned, and thereby, potential overpayments.

In addition, personnel regulations were not followed and, as a result, an employee continued to receive pay and benefits while on administrative leave with pay beyond the time permitted by the regulations.

Cause: Prior to March 2018, payroll was processed by a single payroll clerk who was out on leave for lengthy periods. Subsequently, DPH requested assistance from the Department of Mental Health and Addiction Services (DMHAS), resulting in multiple people processing payroll. This may have contributed to a lack of oversight.

Prior Audit Finding: This finding has been previously reported in the last audit report covering the fiscal years ended June 30, 2016 through 2017.

Recommendation: The Department of Public Health should comply with state personnel regulations pertaining to paid and unpaid leave and monitor the use of other time reporting codes. (See Recommendation 7.)

Agency Response: “The department agrees with this finding. Payroll unit now runs bi-weekly reports of unpaid leave which is forwarded to Human Resources for review. This ensures leave is authorized and coded properly. LOPD is audited regularly. Entries which were not made by the payroll unit are deleted with exception of approved COVID related leave which is listed with a corresponding override reason code in CORE-CT. Upon deletion, notification is sent to employee, and supervisor advising the timesheet requires correction. Additionally, the payroll officer developed a web-based training in 2018 to guide supervisors in timesheet approval, including cross-referencing approved accrued leave. Training posted to DPH intranet (CT-Train) in September of 2018.”

Lack of Timely Contract Execution and Purchase Order Approvals

Criteria: Sound business practice dictates that contracts should be complete and fully executed prior to the start of services. Signed formal written agreements establishing rights and responsibilities are a safeguard for all parties involved.

Section 4-98 of the General Statutes states that no budgeted agency may incur any obligation except by the issuance of a purchase order and a commitment transmitted to the State Comptroller.

Proper purchasing internal controls require that commitment documents be properly authorized prior to the ordering of goods or services.

Condition: Our review of non-payroll expenditures during the audited period revealed the following exceptions:

- Five of 38 Public Health Emergency Preparedness Program (PHEP) transactions tested during the 2018 Statewide Single Audit, did not have sufficient funding committed at the time the services were provided. One used an incorrect budget reference, and 21 used incorrect receipt dates, although the transactions were recorded in the correct fiscal year.
- Fifteen of 40 Human Immunodeficiency Virus Program (HIV) transactions tested during the 2018 Statewide Single Audit did not have sufficient funding committed at the time services were provided. Two transactions occurred without a fully executed contract in place, and 30 used incorrect receipt dates, although the transactions were recorded in the correct fiscal year.

- For eight of 25 Women, Infants, and Children (WIC) program transactions tested during the 2019 Statewide Single Audit, DPH established purchase orders prior to the contracts being fully executed. One quarterly payment was not based on actual expenditures. In addition, 10 of 14 contracts were not fully executed prior to their effective dates.
- Five of 13 contracts tested during the audit of the 2019 Comprehensive Annual Financial Report were not fully executed prior to their effective dates. In addition, DPH created three purchase orders before the contracts were fully executed.
- All five contracts tested for the Small Town Economic Assistance Program Fund were not fully executed prior to their effective dates.
- One of five contracts tested for the Drinking Water Fund was not fully executed prior to its effective date, and DPH created the purchase order before the contract was fully executed.
- Two of 10 contracts tested for the Public Health Commissioner's Program were not fully executed prior to their effective dates. Although DPH recorded all transactions in the correct fiscal year, the department used three incorrect receipt dates. In addition, one transaction related to donated funds was coded to the incorrect chart fields and was not supported by a valid commitment authorization.

Effect: When obligations are incurred prior to the commitment of funds, there is less assurance that agency funding will be available at the time of payment. Also, transactions may be recorded in the wrong fiscal year due to incorrect receipts dates.

Cause: The department's internal controls were not sufficient to ensure that it completed and approved all purchase orders prior to ordering goods and services.

Delays in contract execution can be attributed to budget negotiations and contract language modifications.

Prior Audit Finding: This finding has been previously reported in the last eight audit reports covering the fiscal years ended June 30, 2002 through 2017.

Recommendation: The Department of Public Health should comply with Section 4-98 of the General Statutes by strengthening its internal controls to ensure that it executes contracts and purchase orders and commits funds before ordering goods and services. (See Recommendation 8.)

Agency Response: “The Department of Public Health’s response to this audit finding is that the Contracts and Grants Management Section (CGMS) is severely short staffed. Department will work with HR and DAS to hire appropriate staff to complete the process. Due to being short staffed they are working with heavy contract assignments, without back-up relief. It is essential for this Section to receive additional support and staff with the agency’s assistance.”

Inadequate Administration of Revenues and Remittances

Criteria: The State Accounting Manual provides guidance on the handling and accounting of receipts, which includes the structure and utilization of a receipts journal; the segregation of duties, such as opening incoming mail and recording receipts in a receipts journal; depositing receipts; issuing licenses, permits, etc. to the remitter; and revenue reconciliation and accountability.

Condition: At times, the department’s current process for revenue collection and accounting makes it difficult to determine whether it is complying with Section 4-32 of the General Statutes. DPH receives revenue from sources other than grants by credit card payment, lockbox, checks, or cash. DPH oversees revenue streams through as many as 14 program sections. Some are more significant than others and are subject to a variety of procedures and staffing environments. We observed the following conditions:

- In many instances, the reconciliations and accountability reports that are recommended in the State Accounting Manual are not feasible due to the lack of adequate cash receipts journals among the various sections.
- Various units do not keep checks in secure locations with minimal access before submitting them to the Fiscal Services Section for deposit.
- DPH did not promptly deposit checks in accordance with Section 4-32 of the General Statutes.
- There is inadequate segregation of duties between the receipt of payments and the issuance of drinking water certifications.
- The Payroll Unit does not maintain an adequate cash receipts log in accordance with the State Accounting Manual.
- Up to six employees in various capacities of license request processing and inspections in the Facilities and License and

Investigation Section (FLIS) may receive remittances before they are transmitted to the Fiscal Services Section. The section does not maintain checks in a secure area with minimal access prior to submitting them to the Fiscal Services Section.

- Six of six Daily Deposit Summary reports in the Practitioner License and Investigation Section (PLIS) that serve as transmittals to Fiscal Services Section were not signed. The section does not maintain checks in a secure area with minimal access prior to submitting them to the Fiscal Services Section. The checks may be given to Fiscal Services Section staff rather than placing them in the designated drop box.
- The Drinking Water Section does not have a consistent method of recording all remittances, nor an adequate segregation of duties between the receipt of payment and issuance of certifications. The section does not maintain an adequate cash receipts log in accordance with the State Accounting Manual and does not promptly deposit checks in accordance with Section 4-32 of the General Statutes. In addition, the section altered an original transmittal document date without proper documentation or fiscal notification.
- The Asbestos Unit does not maintain an adequate cash receipts log in accordance with the State Accounting Manual.

Effect: Current internal controls over revenue and receipts do not provide reasonable assurance that they are properly accounted for and increase the risk of undetected losses.

Cause: The lack of segregation of duties and recording deficiencies may be attributed to inadequate staffing.

Prior Audit Finding: This finding has been previously reported in the last audit report covering the fiscal years ended June 30, 2015 through 2017.

Recommendation: The Department of Public Health should strengthen internal control procedures over its revenue and remittance reporting to ensure proper accountability. (See Recommendation 9.)

Agency Response: “The department agrees with this finding and have implemented several measures to address the finding. The payroll unit has established and implemented the use of transmittal register process to log cash receipts. The business office has strengthened its process to ensure that cash transmittals are signed by staff when they are submitted for processing. Also, the business office is currently developing a centralized agencywide cash log

tracking system that will facilitate better monitoring and improved internal control for cash receipt logs. The FLIS staff who have received checks or are currently receiving checks in the field from providers will no longer accept the checks. The providers are directed to mail the checks to FLIS' a designated address. Furthermore, FLIS has implemented a change in its chain-of-custody procedures for collecting and processing checks and has implemented the use of the check routing slip and have provided all staff tasked with this responsibility training on the new procedure. The Environmental Health and Drinking Water Branch (EHDWB) is currently implementing a centralized process in the administration of revenue and remittances for programs that would strengthen internal control procedures to ensure that adequate segregation of duties exist over the receipt, recording and depositing of revenue.”

Property Control and Reporting Deficiencies

Criteria: Section 4-36 of the General Statutes requires a property inventory to be kept in the form prescribed by the State Comptroller. The State Property Control Manual specifies requirements and standards for state agency property control systems, including maintaining software inventory and tagging, recording, and maintaining capital assets and controllable property on the Core-CT Asset Management module. Agencies are required to transmit an annual Asset Management Report (CO-59) to the State Comptroller, which provides a detailed inventory of all real or personal property in their custody.

The Property Control Manual also requires a complete annual physical inventory of all property to ensure that property control records accurately reflect the actual inventory on hand.

Condition: DPH internal controls related to asset management are inadequate. Core-CT reports cannot be relied upon because the department has not updated and maintained the Asset Management module for several years.

We reviewed the Department of Public Health's CO-59 reports for fiscal years 2018 and 2019, and noted the following:

- DPH could not support \$26,494,987 in equipment it reported in fiscal year 2019.
- DPH could not support \$3,949,104 in licensed software it reported in fiscal year 2019.
- DPH inappropriately included annual fees and support items as licensed software additions that instead should have been expensed.

- DPH understated equipment additions by \$32,737 due to the incorrect categorization of items.
- DPH overstated equipment deletions by \$600 due to the inclusion of an item still in service.
- DPH could not provide supporting documentation for nine out of ten equipment dispositions tested.
- DPH Fiscal Policy FIS-01-000 inappropriately requires Form CO-853 – Report of Loss or Damage to State Owned Real and Personal Property to be completed whenever equipment is disposed of.

A review of 15 capital and controllable property acquisitions identified the following exceptions:

- The physical locations of five items did not agree with the locations indicated in Core-CT.
- Freight charges were not included in the cost of one item.
- The department could not locate one item.

A review of software inventory identified the following exceptions:

- One individual is responsible for recording and maintaining custody of information technology inventory.
- DPH did not perform a reconciliation between the Information Technology unit software listing and Core-CT. We identified a \$70,896 difference between the Information Technology unit software listing and Core-CT.
- DPH did not perform a physical inventory of its software library in fiscal year 2019.
- DPH did not maintain an agency-developed software inventory record.
- DPH did not assign developed software a value or capitalize it, as appropriate.
- DPH did not accurately record the price per unit and total cost in the software inventory for four out of 20 items reviewed.

- Context:* DPH reported a \$31,154,146 ending balance on the CO-59 for the fiscal year ended June 30, 2019.
- Effect:* The department did not comply with the requirements of Section 4-36 of the General Statutes and the State Property Control Manual. Furthermore, deficiencies in equipment inventory control provide a decreased ability to properly safeguard state assets and accurately report the department's inventory.
- Cause:* A lack of administrative oversight as well as a significant number of historical errors contributed to the condition. Additionally, limited staffing prevented the appropriate segregation of asset management functions.
- Prior Audit Finding:* This finding has been previously reported in the last nine audit reports covering the fiscal years ended June 30, 2000 through 2017.
- Recommendation:* The Department of Public Health should ensure that internal controls over the custody and reporting of its assets are appropriately designed and implemented. (See Recommendation 10.)
- Agency Response:* "The department agrees with this finding. The lack of staffing resource has primarily contributed to these deficiencies. Fiscal is taking appropriate steps to address these findings including the hiring of a staff dedicated to the oversight and administration of the department's asset management responsibilities. Furthermore, it is implementing new processes to improve the inventory of assets to ensure better accountability including changes on how assets are received in Core-CT. Additionally, it is reorganizing of way assets are located within the department for better inventory process including a proposed establishment of custody agents within each branch/section to monitor for compliance with movement of assets. It will also increase frequency of the disposal of obsolete equipment's to reduce clutter and burdened inventory process. It has also established an "surplus location" to properly track assets designated for disposal. Finally, is also developing an internal policy and procedure manual on asset management to be implemented for agencywide use, compliance, and best practices."

Inadequate Administration of the Expired Pharmaceutical Inventory

- Background:* The Department of Public Health uses a specialized returns vendor to ship expired or unused pharmaceuticals to the appropriate manufacturers. The manufacturers process the returned pharmaceuticals and issue credits to the department's account with the sole supplier. The credit granted for a specific drug can vary, depending on the manufacturer and year.
- Criteria:* Effective internal controls are the foundation for efficient and cost-effective operations. Management personnel are responsible for establishing and

maintaining effective internal controls and safeguarding assets. Records should be accurate and complete.

Condition: The Department of Public Health does not effectively monitor expired or unused pharmaceuticals, as follows:

- DPH did not reconcile its tracking spreadsheets to the return vendor's system to verify the accuracy and completeness of returns.
- Since December 1, 2019, the department has not tracked returned pharmaceuticals prior to the returns vendor picking them up to ensure that the vendor issues the appropriate credits.

Effect: There is an increased risk that the Department of Public Health may not receive all the credits due for returned pharmaceuticals.

Cause: A lack of adequate staffing contributed to the condition.

Prior Audit Finding: This finding has been previously reported in the last four audit reports covering fiscal years ended June 30, 2010 through 2017.

Recommendation: The Department of Public Health should implement procedures to accurately monitor returned pharmaceuticals to ensure the receipt of all credits due. (See Recommendation 11.)

Agency Response: “The department agree with this finding and have implemented several measures to address the finding. DPH is now a participant in the Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP). Through this contract, the department now utilize the vendor Inmar to process expired STD and TB medications. Inmar processes the expired drugs and provides DPH with a line list of all medications returned including date of service, drug names, National Drug Code (NDC) number, expiration date, lot number, package size, amount returned, drug values, if eligible for credit, amount credited, reason if not eligible for credit. Additionally, in January 2021, a new staff member was hired to have responsibility for STD/TB medication management including expired/returned medications inventory control. The department continues to actively work to institute both better inventory control protocols and technology that will be helpful in this effort.”

Inadequate Telecommunications Management

Criteria: The Office of Policy and Management maintains a telecommunication equipment policy outlining statewide policies and procedures. Specifically, it indicates that telecommunications equipment shall not be used for personal or private business and each agency shall periodically audit its

records to ensure that equipment is only used by those authorized for official state business.

The Department of Public Health fiscal policy (FIS-21-000) requires Fiscal Services to send monthly usage statements to wireless device users for review of all charges. Employees must highlight all personal use on their statement. The statements must be reviewed and signed by the employee using the device and the supervisor and returned to Fiscal Services within 20 days of receipt. Employees must reimburse the state for all personal use.

Condition: DPH informed us that Fiscal Services does not review and monitor cell phone usage reports monthly. Also, the department could not provide supporting documentation for cellular use beyond March 2018. Additionally, reimbursements for personal use are not pursued for overages less than \$1.

Context: DPH cellular telephone bills totaled \$87,958 and \$109,284 for the fiscal years June 30, 2018 and 2019, respectively.

Effect: The absence of control in this area increases the risk that sustained non-state phone activity may occur and remain undetected.

Cause: Diminished staffing levels contributed to this condition as well as the department's prioritization of fiscal responsibilities.

Prior Audit Finding: This finding has been previously reported in the last audit report covering the fiscal years ended June 30, 2016 through 2017.

Recommendation: The Department of Public Health should comply with the Office of Policy and Management's telecommunication equipment policy and its own internal control policy to monitor wireless devices. (See Recommendation 12.)

Agency Response: "The department agrees with this finding. The lack of staffing resource has primarily contributed to these deficiencies. The department is taking appropriate steps to hire staff that would be tasked with addressing the cause of this finding."

Lack of Compliance with Statutory Reporting Requirements

Criteria: The Department of Public Health is mandated to submit reports under various sections of the General Statutes. These reports are due at different times throughout the year. An adequate system of internal control should include a method for management to track and monitor the submission of mandated reports.

Condition:

Of the 16 statutory reporting requirements covering 26 reports, we were unable to find five statutory required reports. DPH did not submit:

1. The annual report on Small and Minority Business Set-Aside Program Goal required by Section 4a-60g(1) of the General Statutes in the fiscal year ended June 30, 2019.
2. The annual report on Palliative Care Advisory required by Section 19a-6o of the General Statutes in the fiscal year ended June 30, 2019.
3. The biannual report on Chronic Disease Plan required by Section 19a-6q of the General Statutes in the fiscal year ended June 30, 2019.
4. The annual report on Development of Prospective Nurse Staffing Plan by Hospitals required by Section 19a-89 in the fiscal year ended June 30, 2019.
5. The annual report on Emergency Medical Services required by Section 19a-177 in the fiscal year ended 2019.

Also, DPH appeared to submit the following 12 statutory, public act, and special act reports late. DPH submitted:

1. The annual report on Small and Minority Business Set-Aside Program Goal required by Section 4a-60g(1) of the General Statutes 35 days late in the fiscal year ended June 30, 2018.
2. The annual report on Military Occupational Specialty Taskforce required by Section 4-61bb of the General Statutes 913 and 548 days late for the fiscal years ended June 30, 2018 and 2019, respectively.
3. The annual report on Access to Original Birth Certificates required by Section 7-53a of the General Statutes two days late in the fiscal year ended June 30, 2018.
4. The annual report on School-based Health Center Advisory Committee required by Section 19a-6i of the General Statutes 29 and 30 days late in the fiscal years ended June 30, 2018 and 2019, respectively.
5. The annual report on Palliative Care Advisory required by Section 19a-6o of the General Statutes 198 days late in the fiscal year ended June 30, 2018.

6. The annual report on Lead Poisoning Prevention Efforts required by Section 19a-111i of the General Statutes four and 15 days late in the fiscal years ended June 30, 2018 and 2019, respectively.
7. The annual report on Adverse Events required by Section 19a-127n of the General Statutes 81 and 52 days late in the fiscal years ended June 30, 2018 and 2019, respectively.
8. The annual report on The Water Utility Coordinating Committee Planning Process required by Section 25-33n of the General Statutes 7 days late in the fiscal year ended June 30, 2019.
9. The report on Patient bill of Rights for Long-Term Care Residents required by Special Act 17-14, Section 1(b) 44 days late in the fiscal year 2018.
10. The report on Mobile Integrated Health Care Program required by Public Act 17-146, Section 45(d) 63 days late in the fiscal year 2019.
11. The report on Sports Helmet Safety required by Special Act 18-15, Section 1(d) 50 days late in the fiscal year 2019.
12. The report on Whiting Forensic Hospital Inspection required by Public Act 18-86, Section 4(b) five days late in the fiscal year 2019.

Effect: There is diminished executive and legislative oversight if the department does not submit required reports or submits them late.

Cause: The preparation of statutorily required reports is assigned to various DPH personnel. While the department established a centralized system to track its reporting requirements, further improvement is necessary.

Prior Audit Finding: This finding has been previously reported in the last two audit reports covering the fiscal years ended June 30, 2014 through 2017.

Recommendation: The Department of Public Health should continue to implement its centralized system to track statutory reporting requirements and submit required reports on time. (See Recommendation 13.)

Agency Response: “The audit finding reads well and is accurate. The process does still need improvement. The primary issue as to why reports are not filed in time is due to staffing responsibilities. Some of the authors of the reports have been consumed with COVID responding. Additionally, the Office of Government Relations does not have enough staff to consistently reach out to authors of reports and get a work product in a timely fashion.”

Disaster Recovery Issues

Criteria: State agencies should establish, approve, regularly update, and routinely test information technology contingency and disaster recovery plans to ensure that processes can be promptly recovered and maintained following a disaster.

Condition: Since our prior audit, DPH made some improvement by drafting a new CT DPH All Hazards Continuity of Operations Plan (COOP) in June 2019. The previous COOP was created in August 2014. In January 2020, we informed the department that its management needed to review the draft plan. DPH informed us that it anticipated hiring a new planning specialist to finalize the COOP before management approves it.

Although the DPH Information and Technology (IT) unit performs regular system maintenance and backup, the IT Disaster Recovery Plans are outdated. These plans were last updated between 2014 and 2016.

Effect: In the absence of current and finalized continuity and disaster recovery plans, there is an increased threat to information technology operations in the event of a disaster.

Cause: DPH has outdated information technology disaster recovery plans due to staff shortages and the lack of administrative oversight.

Prior Audit Finding: This finding has been previously reported in the last two audit reports covering the fiscal years ended June 30, 2014 through 2017.

Recommendation: The Department of Public Health should ensure its continuity of operations and information technology disaster recovery plans are current, tested and approved. (See Recommendation 14.)

Agency Response: “Continuing operations of the business function is a function of the business entity; and managed by the business unit based on their operational needs. These are coordinated into an overall COOP by Preparedness; (Not IT).

As 2 specific examples related to IT systems:

- The New Born Screening (NBS) unit has a “Pink and Blue” coop plan worked out with the State Lab and 800+ hospital staff they support, in advance of a system failure of any type which specifies how operations will continue without computer support in emergencies.
- The LAB has an overall COOP for continuing operations with the assistance of partner laboratories that can assist with sample testing and response in a localized disaster.

DPH Information Technology is responsible for disaster recovery and restoration of DPH user Applications and systems that support them, and restoration of data to those systems in the event of an infrastructure collapse. Our critical systems are jointly hosted at 410 Capital Avenue DPH Data Center in a VM Ware Virtual server environment and at BEST's Groton Statewide Data center. To ensure our ability to perform routine restorations we have regular backup and restoration procedures in place and have sufficient hardware redundancy and a virtualized infrastructure design that we can (and do) absorb temporary outages and rapidly restore or recreate individual servers. Individual Application environments and systems are regularly backed up and restored from tape or disk during system upgrades or routine refreshes. Targeted critical systems do have disaster recovery documentation and role assignments in a declared emergency. These would include WIC, Death Registry, ABCMS and others. These documents are available on a Shared Network location."

EMS Data Collection Program Issues

Background:

The Department of Public Health Office of Emergency Medical Services (OEMS) administers and enforces emergency medical services (EMS) statutes, regulations, programs, and policies. OEMS is required to integrate statewide electronic EMS and trauma system data collection, and provide technical assistance and coordination to facilitate local and regional EMS system development. In the prior audit, we recommended that OEMS take the necessary steps to ensure that all EMS providers and trauma facilities submit their required data and develop monitoring tools necessary to track, in real time, the submission of required data from the determined universe of providers. In addition, we indicated that such monitoring tools should include the capability to track the department's collection efforts for EMS providers and trauma facilities that fail to submit their data.

The National Highway Traffic Safety Administration (NHTSA) developed a records assessment program to evaluate states' traffic records systems and quality traffic records data from different components to improve highway safety. NHTSA released a Traffic Records Program Assessment Advisory report in April 2017 after conducting a review for Connecticut. The report was developed by a group of traffic safety experts from various organizations, based on a uniform set of questions derived from six primary components of a state traffic records system, including Crash, Driver, Vehicle, Roadway, Citation/Adjudication, and EMS/Injury Surveillance.

Our review of the report focused on the EMS/Injury Surveillance areas, including emergency department, hospital discharge, trauma registry, and vital records.

Criteria:

Section 19a-177(8)(A) of the General Statutes requires the Office of Emergency Medical Services to develop a data collection system to follow a patient from initial entry into the EMS system through arrival at the emergency room.

Section 19a-177(8)(A) of the General Statutes states that, "...The commissioner shall, on a quarterly basis, collect the following information from each licensed ambulance service, certified ambulance service or paramedic intercept service that provides emergency medical services...The information required under this subdivision may be submitted in any written or electronic form selected by such licensed ambulance service, certified ambulance service, or paramedic intercept service...and approved by the commissioner...The commissioner may conduct an audit of any such licensed ambulance service, certified ambulance service or paramedic intercept service...as the commissioner deems necessary in order to verify the accuracy of such reported information."

Section 19a-177(8)(D) of the General Statutes requires that the commissioner collect the data specified by subparagraph (A) of this subdivision, in the manner provided in said subparagraph, from each licensed or certified emergency medical service organization. An emergency medical service organization is defined under Section 19a-175 subsection (10) of the General Statutes as, "any organization whether public, private or voluntary that offers transportation or treatment services to patients primarily under emergency conditions."

Section 19a-177-7 of the Regulations of Connecticut State Agencies requires that each licensed Connecticut acute care hospital submit information to analyze and evaluate the quality of care of trauma patients to the trauma registry. Section 19a-711-1 of the Regulations of Connecticut State Agencies defines trauma as "a wound or injury to the body caused by accident, violence, shock, or pressure, excluding poisoning, drug overdose, smoke inhalation, and drowning." The trauma registry includes all admitted trauma patients, trauma patients who died or were transferred, and traumatic brain injury patients.

Condition:

EMS Data

We previously reported that difficulties persist with the incompleteness of EMS provider reporting. In addition, the DPH vendor software lacks the capability to conduct real-time monitoring or tracking of the EMS providers' submission of required data. DPH informed us that it has been working with a new vendor, which requires collaboration with other divisions within the agency.

Trauma Registry Data

The status of the trauma registry data collection program remained unchanged during the audited period. DPH received additional funding and is working on upgrading trauma data collection to enable trauma registrars to submit the data directly to the state.

The National Highway Traffic Safety Administration reported the following in its 2017 report, based on its assessment of the basic components of the Connecticut EMS/Injury Surveillance System:

- The EMS system does not have formal documentation regarding the collection, management, and maintenance of data.
- EMS and trauma data systems do not have a set of edit checks and/or validation rules for data entering the system, nor do they have a documented procedure to track returned records through the correction and resubmission process. In addition, there is no interface link between EMS data and trauma data.
- EMS and trauma data systems do not have formal performance measures implemented to track and quantify performance within the systems.

Context:

The Traffic Records Program Assessment Advisory contains approximately 390 questions. States respond to the questions and provide relevant documentation. A group of assessors then rates the responses to determine how closely a state's capabilities match an ideal system as outlined in the advisory.

A review of 123 responses from the EMS/Injury Surveillance components noted that 85 responses did not meet the advisory's ideal. The data system received a rating of 33.3% in the interfaces category and 39.2% in the data quality control programs category, both ratings below the standard requirements.

Effect:

Without comprehensive, reliable data, the department is unable to research, develop, track, and report on appropriate quantifiable outcome measures for the state's emergency medical services system and cannot properly report these matters to the General Assembly.

Cause:

This condition is primarily due to previously reported software issues. The department is unable to maintain the most current data formats submitted by the field units.

Prior Audit Finding: This finding has been previously reported in the last three audit reports covering the fiscal years ended June 30, 2012 through 2017.

Recommendation: The Department of Public Health should continue to take the necessary steps to ensure that all emergency medical services providers and trauma facilities submit complete required data. The department should migrate to a software application capable of real-time tracking of its data collection efforts for EMS providers and trauma facilities that fail to submit their data on a quarterly basis.

The Department of Public Health should develop performance measures for all data systems to track and document system improvements, as recommended by the National Highway Traffic Safety Administration. The department also should review all current policies, processes, and procedures and develop formal documentation for the collection, management, and maintenance of required emergency medical services and trauma data. (See Recommendation 15.)

Agency Response: “The Department of Public Health continues to actively work with all our Trauma Centers to take the necessary steps to ensure that trauma facilities submit complete required data. All Trauma centers were financially supported to help migrate their data from Version 4 to Version 5 data registry. The migration is to enhance the reporting to the State of Connecticut. The server host for the data is CT BEST and we continue to work with them and DPH IT so that the data can be tracked. We currently have one employee in the role of Epidemiologist who is responsible for both Trauma and EMS Data analysis. The position is supported by E9-1-1 funds. In order to implement NHTSA recommendation, we need to explore further funding opportunities. The Department would welcome an opportunity to review all current policies, processes, and procedures to develop formal documentation given appropriate resources are in place.”

Annual Report to the General Assembly on Quantifiable Outcome Measures

Background: Our prior audit recommended that the Department of Public Health continue to take the necessary steps to improve the collection of quality data from providers and use the collected data to research, develop, track, and report on appropriate quantifiable outcome measures. We recommended that DPH submit an analysis of the emergency medical services system outcomes to the General Assembly and evaluate the assignment of primary service areas and the performance of emergency medical services providers against established outcome measures.

Criteria: Section 19a-177(10) through (12) of the General Statutes states that the department will “Research, develop, track and report on appropriate quantifiable outcome measures for the state’s emergency medical services

system and submit to the joint standing committee of the General Assembly having cognizance of matters relating to public health, in accordance with the provisions of section 11-4a, on or before July 1, 2002, and annually thereafter, a report on the progress toward the development of such outcome measures and, after such outcome measures are developed, an analysis of emergency medical services system outcomes; Establish primary service areas and assign in writing a primary service area responder for each primary service area; Revoke primary services area assignments upon determination by the commissioner that it is in the best interests of patient care to do so.”

Condition:

Research and Development of Outcome Measures

Since the inception of the data collection program, the department has not established outcome measures.

The department has not developed performance standards and methodology for evaluating primary service area assignments.

Reporting

The department has not submitted a report to the General Assembly in accordance with Section 19a-177(10) since 2017. DPH informed us that it had not finalized the 2018 report as of March 2020, but the draft 2018 report included significantly more data than the 2017 report.

The 2018 draft report did not contain complete emergency medical services data due to software issues at the EMS provider level. It also did not sufficiently address established outcome measures.

Effect:

DPH has not collected quality provider data and analyzed that data against established outcome measures to assess the performance of individual emergency medical services providers and the statewide emergency medical services system.

The General Assembly has not had all statutorily required information for policymaking decisions.

Cause:

DPH did not allocate the necessary resources to the Office of Emergency Medical Services to analyze and interpret the collected emergency medical services data.

Prior Audit Finding:

This finding has been previously reported in the last three audit reports covering the fiscal years ended June 30, 2011 through 2017.

Recommendation: The Department of Public Health should continue to improve on the collection of quality data from providers and use the collected data to research, develop, track, and report on appropriate quantifiable outcome measures. The department should submit an analysis of the emergency medical services system outcomes to the joint standing committee of the General Assembly having cognizance of matters relating to public health.

The department also should evaluate the assignment of primary service areas and the performance of emergency medical services providers against established outcome measures. (See Recommendation 16.)

Agency Response: “The Department of Public Health has initiated the necessary steps to improve the collection of quality data from providers and use the collected data to research, develop, track, and report on appropriate quantifiable outcome measures. As of January 2020, the Department has transitioned over to a new data vendor, Image Trend, and will be able to accomplish our mandates. The 2018 DPH, Office of Emergency Medical Service Report was submitted to the Commissioner of Public Health. The Department has not been able to maintain five regional coordinators who would be responsible for the analysis of the emergency medical service system outcomes. Currently, two positions are in the recruitment process and once filled will support this response.”

Contracts and Grants Management: Contractor Evaluations and Certifications

Criteria: Section 4-217 of the General Statutes charges the Office of Policy and Management (OPM) with creating standards and procedures for state agencies entering into purchase of service contracts and personal services agreements. These provisions require state agencies to systematically monitor and evaluate contractor performance.

OPM Procurement Standards require agencies to prepare a written evaluation of a contractor’s performance within 60 days after a contractor has completed work.

Section 4-252(c) of the General Statutes and Executive Order No. 49 require a contractor doing business with a state agency to provide a Gift and Campaign Contribution Certification at the time of contract execution and annually thereafter if such contract has a value of \$50,000 or more in a calendar or fiscal year. In addition, Section 4-252(b) of the General Statutes and Executive Order No. 49 require the state agency official authorized to execute state contracts to certify that the contractor selection was not the result of collusion, the giving or promising of a gift, compensation, fraud or inappropriate influence from any person. Furthermore, Section 4a-81 of the General Statutes requires a Consulting Agreement Affidavit to accompany

a state agency contract with a value of \$50,000 or more in a calendar or fiscal year.

Condition: DPH did not promptly submit contractor evaluations within 60 days of the contract end date for 14 of 83 contracts reviewed, totaling \$11,391,835.

Signed OPM certifications and affidavits were not included in 4 of 20 contracts reviewed, totaling \$10,724,524.

Effect: Without timely contractor evaluations, the department may be renewing agreements with contractors that underperformed or failed to perform.

Missing certifications and affidavits may result in the delayed execution of contracts and payments.

Cause: Due to a high vacancy rate in the Contracts Management Unit, staff has focused efforts on more critical aspects of executing contracts and monitoring expenditures.

Prior Audit Finding: This finding has not been previously reported.

Recommendation: The Department of Public Health should promptly perform contractor evaluations related to personal services and purchase of service agreements to better assess the contractor's quality of work, reliability, and cooperation.

The Department of Public Health also should ensure that it obtains certifications and affidavits as required by Section 4-252 of the General Statutes and Executive Order No. 49. (See Recommendation 17.)

Agency Response: "The Department of Public Health's response to the audit finding to Contractor evaluations not being submitted within 60 days of the contract end date in compliance with OPM Procurement Standards are a direct result of staff shortage. Of the 83 contracts reviewed 14 were not submitted timely. CGMS has a severe shortage of staff that are handling large volumes of contracts with large numbers that are priorities. In the larger picture staff collaborate with program staff at the end of the contract period to submit the contractor evaluations but these are not always completed within the 60 days window. As soon as CGMS fills these vacancies significant improvements will be made.

The OPM certificates and affidavits are now filed electronically and may be found on Biz Net or they are uploaded on CORE. This feature was made available when the section began to use CORE-CT introduced in 2018.

It is the goal of the Contracts and Grant Management Section to become fully staff, but the Section must follow internal protocols of Human Resources and the Office of Affirmative Action. We have interviewed candidates for 2 positions, but they are in a pending status internally. Going forward we have four position we plan to recruit and undergo the selection process.”

Practitioner Licensing Complaints – Conflicts of Interest

Background:

As part of the administrative investigation process, the Department of Public Health’s Practitioner Licensing and Investigation Section (PLIS) utilizes consultants practicing in the same area of expertise as the respondent to review treatment records and other relevant material pertaining to a complaint. A consulting practitioner’s opinion as to whether a respondent met the accepted standard of care is a critical part of the investigation and is used to determine whether to dismiss and close the investigation or consider disciplinary action.

DPH relies on numerous boards and commissions throughout the investigation process, including the Connecticut Medical Examining Board, the Connecticut State Board of Examiners for Nursing, the Dental Commission, and the Examiners for Psychologists. Upon completion of an investigation, DPH recommends whether a board should revoke or suspend a license, and the board makes the final decision on the sanctions and disciplinary action to be taken.

Criteria:

The Attorney General’s publication, Plain Talk About Contested Cases, addresses ethical issues and conflicts of interest for public officials. The document explains that disqualification is appropriate when a hearing officer or public official has a personal interest in a case. A personal interest may include an interest in the subject at hand or a relationship with one of the parties in the action, impairing the member’s impartiality. The need for circumspection to avoid the appearance of bias is critical.

Good business practice dictates that investigators verify that a consultant has no conflict of interest with a respondent prior to reviewing a case. Monitoring staff must establish that there is no conflict of interest with a respondent.

Condition:

There are no procedures to ensure that board and commission members do not have personal relationships or conflicts of interest with respondents, which may impair their impartiality.

Our review of the Practitioner Licensing and Investigation Section’s (PLIS) policies and procedures revealed that there is no written policy to ensure

that neither the consultant nor the monitor has a conflict of interest prior to assigning a case.

Context: The department provides all new board and commission members with the Attorney General’s publication but does not require each new member to acknowledge its receipt.

Prior to assigning a case, the department verifies, verbally or by email, that the consultant or monitor has no conflict of interest related to the parties in the case. However, we cannot determine that DPH ensured that in all cases there was no conflict of interest due to lack of documentation for verbal communication.

Effect: Personal relationships or conflicts of interest may impact the severity of the board or commission’s disciplinary action or sanctions.

Consultants or monitors may not be impartial during a case review based on a personal relationship with a respondent.

Cause: Insufficient internal controls and monitoring procedures contributed to the condition. In addition, DPH conflict of interest oversight is not specifically addressed in its consultant and monitoring policies.

Prior Audit Finding: This finding has not been previously reported.

Recommendation: The Department of Public Health should implement internal control procedures to ensure that board and commission members disclose potential conflicts of interest and recuse themselves from duties when appropriate. The Department of Public Health should implement revised consultant and monitoring policies to address conflicts of interest. (See Recommendation 18.)

Agency Response: “The Practitioner Licensing and Investigations Section (PLIS) has traditionally vetted all consultants and monitors for conflicts of interest prior to engagement. However, this vetting process had not been detailed into a written policies and procedures. PLIS incorporated the conflict of interest vetting process into existing consultant and monitor request policies and procedures, effective April 27, 2020.”

Lack of Risk Management Function

Background: The Department of Public Health is the state’s lead agency in the protection of public health and providing health information, policy, and advocacy.

The department is the center of a comprehensive network of public health services and is a partner to local health departments. DPH provides

advocacy, training and certification, technical assistance and consultation, and specialty services (such as risk assessment) that are not available at the local level.

DPH prepares, issues, and manages hundreds of contracts, grants, and low interest loans in support of for-profit and non-profit service providers, federal and local governments, and individuals. These contracts and grants provide funding for health and support services to underserved residents of Connecticut that would otherwise be unavailable.

Criteria:

Risks must be managed through a system of controls. Effective management requires the identification of risks through an ongoing assessment process by skilled staff, the development and implementation of a plan to mitigate identified risks, and the monitoring and review of the plan elements to gauge their success. Risk assessment includes management's assessment of the safeguarding of agency assets and fraudulent reporting.

The information obtained through this process may then be incorporated into the risk assessment process to determine whether plan modifications are required.

Control activities are defined as the actions established through policies and procedures that help ensure the implementation of management risk mitigation directives to achieve objectives.

Ongoing monitoring activities are designed to assess the quality of internal control performance over time and communicate that performance to decision makers, along with recommendations for improvement.

Condition:

DPH lacks a dedicated and ongoing risk assessment and mitigation function and formal monitoring procedures.

The Auditors of Public Accounts identified avoidable direct and indirect costs in various audit reports. We surmise that the department incurred additional costs that have yet to be identified, and that those additional costs exceed the cost of establishing a basic risk management process within the department.

Effect:

DPH is exposed to a higher risk that it will not achieve its operational objectives. Risks that could have been anticipated and avoided by periodic assessments may result in operational ineffectiveness, additional costs and liabilities, and exposure to fraud.

Cause:

DPH does not have a formal, dedicated risk assessment and mitigation process. The department did not allocate the necessary and appropriate resources to a risk assessment and mitigation process during the audited

period. DPH could have detected and prevented many of the issues related to recommendations in our audit reports.

Prior Audit Finding: This finding has been reported in the last four audit reports covering the fiscal years ended June 30, 2010 through 2017.

Recommendation: The Department of Public Health should develop or acquire a formal risk assessment and mitigation process to identify and address risks that could impact its operational and reporting objectives. This process should be independent, formal, and ongoing. (See Recommendation 19.)

Agency Response: “The DPH agrees that a risk management and mitigation function would prevent or detect significant and material operational deficiencies that would help the department to achieve its objectives in a more expedient manner. The DPH continues to explore options to create a process and utilize its existing departmental resources. DPH established a Risk Management objective within the Performance Assessment and Recognition Systems (PARS) for all DPH managers as a method to highlight the importance of performance management and preventing operational inefficiencies.”

Lack of Administrative Oversight on Boards and Commissions

Background: The General Statutes relating to the Department of Public Health provide for 21 boards, councils, committees, and commissions, which we collectively refer to as boards. The boards include the School-Based Health Center Advisory Committee, Palliative Care Advisory Council, Public Health Preparedness Advisory Committee, Emergency Medical Services Advisory Board, Emergency Medical Services Medical Advisory Committee, Field Hospital Advisory Board, Maternal Mortality Review Committee, and 14 regulated professional licensing boards. Board members are appointed by various government bodies and other organizations as stated in the board’s respective statutes.

Criteria: Section 1-225 of the General Statutes requires the meeting minutes of all state agencies to be available for public inspection and posted to the agency’s website within seven days. In addition, agencies must file their regular meeting schedule for the ensuing year with the Secretary of the State no later than January 31st of each year and post the schedule on their website.

Section 19a-8 of the General Statutes requires that not less than one-third of the members of each board and commission identified in Section 19a-14(b) shall be public members. Public member means an elector of the state who has no substantial financial interest in, is not employed in or by, and is not professionally affiliated with, any industry, profession, occupation, trade or

institution regulated or licensed by the board or commission to which the individual is appointed for three years preceding the appointment.

Section 19a-6i of the General Statutes established the School-Based Health Center Advisory Committee to advise DPH on matters relating to statutory and regulatory changes to improve health care through access to school-based health centers, and minimum standards for the provision of services in school-based health centers to ensure that high quality health care services are provided.

Section 19a-6o of the General Statutes established the Palliative Care Advisory Council to analyze palliative care and advise DPH on matters related to the improvement of palliative care.

Section 19a-131g of the General Statutes established the Public Health Preparedness Advisory Committee to advise DPH on matters concerning emergency responses to public health emergencies.

Section 19a-178a of the General Statutes defines the composition of the Emergency Medical Services Advisory Board, which should be comprised of 34 members. The advisory board shall establish a Connecticut Emergency Medical Services Medical Advisory Committee as a standing committee. The standing committee will provide the commissioner and other committees with advice and comment regarding the medical aspects of any project.

Section 19a-487 of the General Statutes established a Mobile Field Hospital Advisory Board to advise DPH on related operations. According to its bylaws, the board is to meet quarterly.

Condition:

Our review of the various boards under the Department of Public Health's purview revealed the following:

- The Mobile Field Hospital Advisory Board held only three meetings in two years and did not post the meeting minutes on the department's website.
- Twelve of the 34 Emergency Medical Services Advisory Board positions remained vacant during the audited period.
- Six of the 14 regulated professional boards did not maintain at least one third of its membership as public members.
- There was no evidence that four boards (Palliative Care Advisory Council, Emergency Medical Services Advisory Board, Emergency Medical Services Advisory Committee, and Field Hospital

Advisory Board) submitted annual meeting schedules to the Office of the Secretary of the State.

- Five boards (School-Based Health Center Advisory Committee, Palliative Care Advisory Council, Public Health Preparedness Advisory Committee, Emergency Medical Services Advisory Board, and Maternal Mortality Review Committee) did not have appointment letters for all of their members. Without appointment letters, it is unclear whether the members were properly appointed.

Effect: The boards did not provide public notice for their meetings and minutes or operate in compliance with the General Statutes regarding appointments, membership, and meetings.

Cause: While DPH appears to have made some effort, other issues remained unaddressed.

Prior Audit Finding: This finding has been previously reported in the last two audit reports covering the fiscal years ended June 30, 2014 through 2017.

Recommendation: The Department of Public Health should work with its related boards to ensure they submit meeting schedules to the Office of the Secretary of the State, maintain meeting schedules and required membership, hold regular meetings, and keep all appointment letters for their members on file. (See Recommendation 20.)

Agency Response: “Emergency Medical Services Advisory Board positions are appointed by the Legislature. OEMS has assigned a support staff from our office to work with CEMSAB to ensure that all statutory mandates are being met.

The meeting schedules for the Palliative Care Advisory Council, Emergency Medical Services Advisory Board, and Emergency Medical Services Advisory Committee for 2020 and 2021 will be sent to the Office of the Secretary of the State in accordance with statutory requirements.

Appointment letters for Palliative Care Advisory Council and Emergency Medical Services Advisory Board will be submitted for signature by September 1, 2020.

The Palliative Care Advisory Council will post the meetings and meeting minutes on the DPH website as required.

The Department has reached out on many occasions to obtain appointments from the legislative body for the Committee. In 2020 the Department put forward language in HB 5417 to allow the Commissioner to make appointments to the Committee if the legislature did not take action to make

their appointments after 1 year. Due to COVID-19, the legislative session only passed a handful of bills and unfortunately, the Department's bill did not move forward. The Department has included this request in a legislative proposal for the 2021 session.

OEMS has assigned a support staff from our office to work with CEMSAB to ensure that all statutory mandates are being met.”

Outdated State Regulations

Criteria: State agency regulations should reflect current information to help clarify related statutory provisions.

Section 19a-2a of the General Statutes states that the commissioner of the Department of Public Health shall have the power and duty to adopt and enforce regulations as necessary to carry out the purposes of the department as established by statute.

Condition: The Department of Public Health does not have procedures to ensure state regulations comply with state statutes.

Effect: The lack of accurate information in the department's regulations can lead to inefficiencies and practices that may conflict with the General Statutes.

Cause: The department focused its resources on other priority matters.

Prior Audit Finding: This finding has not been previously reported.

Recommendation: The Department of Public Health should review its regulations to determine whether modifications or additions are necessary to reflect current statutory language and internal procedures. (See Recommendation 21.)

Agency Response: “The Department of Public Health agrees that such a procedure should be drafted and adopted for internal use. A staffing shortage has also contributed to this circumstance. New staff is being hired in the Legal Department and the Commissioner's office intends to revise the regulation adoption process this calendar year.”

Immunization Program – Changes to Records Retention Policy

Criteria: Section 11-8a(b) of the General Statutes requires each state agency to notify the State Librarian of any changes in the administrative requirements for the retention of any book, record, paper or document subsequent to the approval of retention schedules by the State Librarian. The Department of Public Health's legal department is responsible for notifying the State Librarian of any records retention changes.

- Condition:* DPH did not notify the State Librarian or its legal department of changes to the Immunization Program’s records retention policy.
- Context:* DPH updated its Immunization Program records retention schedule, increasing it from one to three years effective December 30, 2019. The department also updated the policy to include the retention of vaccine transfer and return forms.
- Effect:* Due to a lack of notification the State Librarian was unaware of the Immunization Program updated records retention policy as required by statutes.
- Cause:* The department’s legal department was not informed about the records retention policy updates and therefore did not notify the State Librarian.
- Prior Audit Finding:* This finding has not been previously reported.
- Recommendation:* The Department of Public Health should strengthen controls to ensure that it notifies its legal department and the State Librarian of any changes to its records retention schedules. (See Recommendation 22.)
- Agency Response:* “The DPH Immunization Program updated their internal record retention policy on December 30, 2019 from 1 to 3 years. In addition, the policy was updated to include Vaccine Transfer and Vaccine Return Forms. The State Librarian was notified of changes to the Immunization Program record retention policy and accepted these changes.”

RECOMMENDATIONS

Status of Prior Audit Recommendations:

Our prior audit report on the Department of Public Health contained 25 recommendations. Eight have been implemented or otherwise resolved and 17 have been repeated or restated with modifications during the current audit.

- The Department of Public Health should develop or acquire a formal risk assessment and mitigation process to identify and address risks that could impact its operational and reporting objectives. This process should be independent, formal, and ongoing. **This recommendation is being repeated. (See Recommendation 19.)**
- The Department of Public Health should comply with Sections 1-225 and 19a-8 of the General Statutes and follow Robert's Rules of Order. **This recommendation is being repeated in part. (See Recommendation 20.)**
- The Department of Public Health should continue to pursue adoption of statutorily required regulations or request legislative changes to repeal unnecessary or outdated regulatory mandates. **This recommendation has been resolved.**
- The Department of Public Health should continue to implement its centralized system to track statutory reporting requirements and submit required reports on time. DPH should request legislative changes to repeal unnecessary or outdated reporting mandates. **This recommendation is being repeated in part. (See Recommendation 13.)**
- The Department of Public Health should properly approve and sufficiently document overtime and compensatory time. In addition, the department should reassess the assignment of certain compensatory time plans to employees in Core-CT. **This recommendation is being repeated. (See Recommendation 1.)**
- The Department of Public Health should develop internal control procedures sufficient to identify telecommuting employees and maintain a current executed telecommuting agreement in their personnel files. DPH should provide a copy of each arrangement to the Department of Administrative Services in accordance with Section 5-248i of the General Statutes. **This recommendation has been resolved.**
- The Department of Public Health should formalize procedures to ensure it conducts and documents human resources investigations in a consistent manner. **This recommendation has been resolved.**
- The Department of Public Health should ensure a timely and thorough review of the benefit service date calculations for rehired employees at or near the time they are rehired. The department should formalize and standardize its documentation procedures for any service date calculation or adjustment to Core-CT. **This recommendation will be repeated. (See Recommendation 4.)**

- The Department of Public Health should require unit supervisors to forward all DPH 5/08 Leave Request Forms to the Payroll Unit to document leave authorization and monitor supervisory procedural compliance. Furthermore, the department should train supervisors on the proper use of leave request forms. **This recommendation is being repeated to reflect current conditions. (See Recommendation 7.)**
- The Department of Public Health should comply with Section 4-33a of the General Statutes by promptly reporting matters deemed to be a loss of resources to the Auditors of Public Accounts and the State Comptroller. **This recommendation has been resolved.**
- The Department of Public Health should comply with the State Property Control Manual in properly recording and maintaining accountability over its assets. **This recommendation is being repeated to reflect current conditions. (See Recommendation 10.)**
- The Department of Public Health should comply with the State Property Control Manual regarding the proper capitalization of assets. **This recommendation is being repeated to reflect current conditions. (See Recommendation 10.)**
- The Department of Public Health should ensure that it uses accurate queries and calculations on its Asset Management Inventory Reporting Form (CO-59) and uses the proper fields for each reporting category. The department should appropriately record its assets in Core-CT according to the definitions prescribed by the State Property Control Manual. **This recommendation is being repeated to reflect current conditions. (See Recommendation 10.)**
- The Department of Public Health should seek a new returns vendor to return expired pharmaceuticals and manage inventory more efficiently to maximize available credits. **This recommendation is being repeated to reflect current conditions. (See Recommendation 11.)**
- The Department of Public Health should comply with the Office of Policy and Management’s telecommunication equipment policy and its own internal control policy to monitor for non-state phone activity. **This recommendation is being repeated to reflect current conditions. (See Recommendation 12.)**
- The Department of Public Health should ensure its Continuity of Operations Plan is up to date, tested, and approved. The department should disseminate its disaster recovery plans to necessary staff to ensure that its operations continue with little or no delay following a disaster. **This recommendation is being repeated. (See Recommendation 14.)**
- The Department of Public Health should undertake a systemic review of accounting processes over revenue and remittance reporting to ensure greater uniformity and compliance among program units. This should include centralizing the processing of remittances wherever possible, streamlining procedures within Fiscal Services, utilizing analytic reports of revenue patterns to detect trends, and periodically evaluating the

adequacy of the fee structures against the cost of services. **This recommendation is being repeated to reflect current conditions. (See Recommendation 9.)**

- The Department of Public Health should comply with Section 4-98 of the General Statutes by strengthening internal controls to ensure that contracts and purchase orders are executed and funds are committed before any goods and services are ordered. **This recommendation is being repeated to reflect current conditions. (See Recommendation 8.)**
- The Department of Public Health should ensure that contract payments are valid and paid in accordance with established policies and contract terms. **This recommendation has been resolved.**
- The Department of Public Health should continue to take the necessary steps to ensure that all EMS providers and trauma facilities submit complete required data. In addition, DPH should migrate to a software application capable of tracking the department's collection efforts in real time for EMS providers and trauma facilities that fail to submit their data on a quarterly basis. **This recommendation is being repeated. (See Recommendation 15.)**
- The Department of Public Health should continue to take the necessary steps to improve the collection of quality data from providers and use the collected data to research, develop, track, and report on appropriate quantifiable outcome measures. DPH should submit an analysis of the emergency medical service system outcomes to the joint standing committee of the General Assembly having cognizance of matters relating to public health.

The department also should evaluate the assignment of primary service areas and the performance of emergency medical service providers against established outcome measures. **This recommendation is being repeated. (See Recommendation 16.)**

- The Department of Public Health should continue to take corrective actions to address the conditions and recommendations identified in the NHTSA Reassessment of Emergency Medical Services report, with an emphasis on the patient care data collection system. **This recommendation has been repeated to reflect current conditions. (See Recommendation 15.)**
- The Department of Public Health should seek the necessary resources to complete investigations against healthcare practitioners within its established deadlines. **This recommendation has been resolved.**
- The Department of Public Health should have sufficient and current written policies and procedures in place, in compliance with the CMS State Operations Manual, which address the timelines of complaint investigations. DPH should document all of its actions related to complaints and investigations. In addition, the department should ensure that it addresses all complaints in a timely fashion. **This recommendation has been resolved.**

- The Department of Public Health should consider seeking a legislative change or Attorney General opinion to clarify Sections 7-51 and 7-51a of the General Statutes regarding public access to vital records and indexes. **This recommendation has been resolved.**

Current Audit Recommendations:

- 1. The Department of Public Health should properly approve and sufficiently document overtime and compensatory time. In addition, the department should ensure that ineligible employees do not receive overtime or compensatory time.**

Comment:

DPH did not adequately support its compensatory time and overtime processes with preauthorization forms and management approvals. Also, DPH allowed ineligible employees to earn compensatory time and overtime.

- 2. The Department of Public Health should establish policies and procedures to monitor its temporary employees hired on state contract through staffing agencies.**

Comment:

DPH does not have internal control policies or procedures in place to track temporary staffing payments and hiring, termination, and six-month maximum dates.

- 3. The Department of Public Health should improve controls over the review and approval of timesheets to ensure compliance with bargaining unit contracts.**

Comment:

We identified 87 instances in which employees used leave time in increments that were less than minimum increments established by the respective bargaining unit contracts.

- 4. The Department of Public Health should ensure a timely and thorough review of benefit service date calculations for rehired employees at or near their rehiring. The department should formalize and standardize its documentation procedures for any service date calculation or adjustment to Core-CT.**

Comment:

A review of the benefit service date calculations for six rehired employees during the audited period identified two employees with incorrect benefit service dates.

- 5. The Department of Public Health should comply with its Human Resources Recruitment Process policy to ensure that it efficiently uses personnel and promptly fills approved vacant positions.**

Comment:

DPH did not promptly fill vacant positions that were approved by the Office of Policy and Management (OPM) and the Department of Administrative Services (DAS).

- 6. The Department of Public Health should ensure that it obtains proper approval prior to holding any classified positions. The department also should ensure that it completes annual performance appraisals for all of its employees.**

Comment:

An employee was appointed to a new position from April 15, 2019 to October 14, 2019, while the employee's original position was held. The employee continued to work in the appointed position beyond October 14, 2019, but the request date for a position hold extension was not made until October 23, 2019, which was seven business days late. Also, the department did not obtain approval from the DPH and DAS commissioners until October 25, 2019, which was nine business days after the extension start date. Additionally, DPH did not update Core-CT to reflect the employee's expected return date.

On March 1, 2019, DPH promoted an employee without an annual performance evaluation by reclassification. The department completed the employee's last evaluation on September 28, 2016.

- 7. The Department of Public Health should comply with state personnel regulations pertaining to paid and unpaid leave and monitor the use of other time reporting codes.**

Comment:

Our review of administrative leave time recorded during the audited period noted unsupported paid administrative leave; a leave request that was not submitted or approved until six months after leave was taken and the supporting documentation was requested by the auditors; an employee who was placed on paid administrative leave for 140 days; and several instances of recorded Leave Other Paid (LOPD) time that was not subsequently adjusted to reflect the actual override reason code used.

- 8. The Department of Public Health should comply with Section 4-98 of the General Statutes by strengthening its internal controls to ensure that it executes contracts and purchase orders and commits funds before ordering goods and services.**

Comment:

We continued to note internal control weaknesses during our review, including several contracts executed after their start date and purchase orders that did not have sufficient funding committed at the time services were provided.

9. The Department of Public Health should strengthen internal controls over revenue and remittance reporting to ensure proper accountability.

Comment:

Our review noted internal control weaknesses related to revenues and remittances, including inadequate cash receipts logs, segregation of duties, and lack of security over the handling of checks received.

10. The Department of Public Health should ensure that internal controls over the custody and reporting of its assets are appropriately designed and implemented.

Comment:

Our review disclosed errors in the department's maintenance and reporting of property inventory, including unsupported inventory balances, misstated equipment additions and deletions, unsupported equipment dispositions, inappropriate expensing or capitalization of certain items, physical locations not in agreement with the inventory record, an item that could not be located, a lack of segregation of duties over information technology inventory, and incomplete software inventory records.

11. The Department of Public Health should implement procedures to accurately monitor returned pharmaceuticals to ensure the receipt of all credits due.

Comment:

The department does not effectively monitor returned pharmaceuticals to ensure it receives the appropriate credits due.

12. The Department of Public Health should comply with the Office of Policy and Management's telecommunication equipment policy and its own internal control policy to monitor wireless devices.

Comment:

DPH does not adequately monitor state cellular phone usage or pursue reimbursement of all personal use expenses as required.

13. The Department of Public Health should continue to implement its centralized system to track statutory reporting requirements and submit required reports on time.

Comment:

The department did not submit five statutorily required reports and submitted 12 reports late.

14. The Department of Public Health should ensure its continuity of operations and information technology disaster recovery plans are current, tested, and approved.

Comment:

The department does not have current continuity of operations and information technology disaster recovery plans.

15. The Department of Public Health should continue to take the necessary steps to ensure that all emergency medical services providers and trauma facilities submit complete required data. The department should migrate to a software application capable of real-time tracking of its data collection efforts for EMS providers and trauma facilities that fail to submit their data on a quarterly basis.

The Department of Public Health should develop performance measures for all data systems to track and document system improvements, as recommended by the National Highway Traffic Safety Administration. The department also should review all current policies, processes, and procedures and develop formal documentation for the collection, management, and maintenance of required emergency medical services and trauma data.

Comment:

We previously reported that there were still difficulties with the completeness of EMS provider reporting. In addition, the DPH vendor software does not have the capability to conduct real-time monitoring or tracking of the EMS providers' submission of required data.

The National Highway Traffic Safety Administration reported in its 2017 NHTSA report that the Connecticut EMS/Inquiry Surveillance System is inadequate based on its assessment of basic components.

16. The Department of Public Health should continue to improve the collection of quality data from providers and use the collected data to research, develop, track, and report on appropriate quantifiable outcome measures. The department should submit an analysis of the emergency medical services system outcomes to the joint standing committee of the General Assembly having cognizance of matters relating to public health.

The department also should evaluate the assignment of primary service areas and the performance of emergency medical services providers against established outcome measures.

Comment:

Since the inception of the data collection program, the department has not established outcome measures. In addition, the department has not developed performance standards and the methodology for evaluating primary service area assignments. The department had not finalized its 2018 emergency medical services data report as of March 2020.

- 17. The Department of Public Health should promptly perform contractor evaluations related to personal services agreements and purchase of service agreements to better assess the contractor's quality of work, reliability, and cooperation.**

The Department of Public Health also should ensure that it obtains certifications and affidavits as required by Section 4-252 of the General Statutes and Executive Order No. 49.

Comment:

The department did not complete contractor evaluations within 60 days of the contract end date. Contractors did not promptly submit evaluations for 14 of 83 contracts reviewed, totaling \$11,391,835.

Signed OPM certifications and affidavits were not included in 4 of 20 contracts reviewed, totaling \$10,724,524.

- 18. The Department of Public Health should implement internal control procedures to ensure that board and commission members disclose potential conflicts of interest and recuse themselves from duties when appropriate. The Department of Public Health should implement revised consultant and monitoring policies to address conflicts of interest.**

Comment:

The Department of Public Health Practitioner Licensing and Investigations Section does not have proper policies and procedures to ensure that board and commission members do not have personal relationships or conflicts of interest with respondents, which may impair their impartiality.

- 19. The Department of Public Health should develop or acquire a formal risk assessment and mitigation process to identify and address risks that could impact its operational and reporting objectives. This process should be independent, formal, and ongoing.**

Comment:

The department lacks a dedicated and ongoing risk assessment and mitigation function and formal monitoring procedures. Risks that could have been anticipated and avoided by periodic assessments may result in operational ineffectiveness, additional costs and liabilities, and exposure to fraud.

- 20. The Department of Public Health should work with its related boards to ensure they submit meeting schedules to the Office of the Secretary of the State, maintain meeting schedules and required membership, hold regular meetings, fill vacant positions, and keep all appointment letters for their members on file.**

Comment:

Certain DPH boards did not effectively fulfill some of their notification, meeting, and membership obligations.

- 21. The Department of Public Health should review its regulations to determine whether modifications or additions are necessary to reflect current statutory language and internal procedures.**

Comment:

DPH does not currently have any procedure to ensure that its regulations correspond to state statutes and internal procedures.

- 22. The Department of Public Health should strengthen controls to ensure that it notifies its legal department and the State Librarian of any changes to its records retention schedules.**

Comment:


DPH did not provide information to the State Librarian or its legal department about changes to the Immunization Program's records retention policy.

ACKNOWLEDGMENTS

The Auditors of Public Accounts wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Department of Public Health during the course of our examination.

The Auditors of Public Accounts also would like to acknowledge the auditors who contributed to this report:

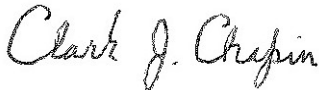
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Approved:



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