

Department of Health

Agency 303

Audit Report	Finding Number	Finding and Corrective Action Status	
2020 F	005	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Health did not have adequate internal controls over and did not comply with cash management requirements for the Special Supplemental Nutrition Program for Women, Infants, and Children grant.</p> <p>The Department partially concurs with the finding.</p> <p>The purpose of the Cash Management Improvement Act (CMIA) is to ensure the timely transfer of funds between the federal government and states.</p> <p>The Department has processes in place to ensure that draws are made in a timely manner to ensure that no interest liabilities are incurred by either the Department or the federal grantor.</p> <p>The Department processes all cash draws for expenses paid out in advance are based on actual costs and in line with the approved funding techniques outlined in the Treasury State Agreement (TSA). The Department does not agree that it is out of compliance with the intent of the CMIA and the approved TSA.</p> <p>To improve internal controls over monitoring cash management requirements, the Department:</p> <ul style="list-style-type: none"> <li>• Began tracking draws on an excel spreadsheet in March 2020.</li> <li>• Worked with the Office of Financial Management to clarify language in the 2022 TSA related to the process and timing of draw requests.</li> </ul> <p>The conditions noted in this finding were previously reported in findings 2019-006 and 2018-006.</p> <p>June 2021, subject to audit follow-up</p> <p>Jeremy Stephen                      Enterprise Risk Officer                      PO Box 47890                      Olympia, WA 98504-7890                      (360) 789-4618  <a href="mailto:jeramy.stephen@doh.wa.gov">jeramy.stephen@doh.wa.gov</a></p>

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2020 F	019	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Health did not ensure payments from the Coronavirus Relief Fund occurred during the allowable period of performance.</p> <p>The Department concurs with the finding and is committed to ensuring that grant programs comply with federal regulations related to period of performance.</p> <p>The Department billed the Washington State Military Department (MIL) for fiscal year 2020 expenditures that were allowable under the Public Assistance Disaster Grants, which included the portion of the Coronavirus Relief Fund (CRF) that was expended before the allowable period of performance. The reimbursement from MIL was recorded as a prior period recovery in fiscal year 2021.</p> <p>The Department will reduce CRF grant expenditures reported on the schedule of expenditures of federal awards to account for the questioned costs identified and reported in the finding.</p> <p>Corrective action is expected to be complete by June 2022</p> <p>Jeremy Stephen          Enterprise Risk Officer          PO Box 47890          Olympia, WA 98504-7890          (360) 789-4618  <a href="mailto:jeramy.stephen@doh.wa.gov">jeramy.stephen@doh.wa.gov</a></p>

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2020 F	055	<p>Finding:</p> <p>Corrective Action:</p> <p>Completion Date:</p> <p>Agency Contact:</p>	<p>The Department of Health did not have adequate internal controls over and did not comply with requirements to ensure it responded promptly to complaints for Medicaid hospitals.</p> <p>The Department concurs with the finding.</p> <p>The Department is committed to ensuring grant programs comply with state and federal regulations related to assessment of and response to hospital complaints. Program staff hold weekly meetings with the Centers for Medicare and Medicaid Services to discuss complaint cases that are in process.</p> <p>To address the audit recommendations, the Department hired additional staff to assist with the complaint intake process for the entire division. The Department updated protocols to ensure hospital complaints are handled promptly and meet federal requirements.</p> <p>The conditions noted in this finding were previously reported in finding 2019-046.</p> <p>April 2021, subject to audit follow-up</p> <p>Jeremy Stephen          Enterprise Risk Officer          PO Box 47890          Olympia, WA 98504-7890          (360) 789-4618  <a href="mailto:jeramy.stephen@doh.wa.gov">jeramy.stephen@doh.wa.gov</a></p>