October 4, 2017

Nicole Alexander-Scott, M.D., MPH Director
Rhode Island Department of Health
Three Capitol Hill
Providence, RI 02908

Via email

Director Alexander-Scott:

The Office of Internal Audit has completed its audit of the State Health Labs and Medical Examiner. The audit was conducted in conformance with the Institute of Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing and by the authority given to the unit as stated in accordance with the Rhode Island General Laws (RIGL) §35-7.1-2(a) – Establishment of office of internal audit. The recommendations included herein have been discussed with members of management, and we considered their comments in the preparation of this report.

RIGL §35-7.1-10 (d), entitled Annual and interim reports, states that, “Within twenty (20) calendar days following the date of issuance of the management response copy of the draft audit report, the head of the department, agency, public body or private entity audited shall respond in writing to each recommendation made in the audit report.” We did not identify any significant reportable issues and, as such, are not making any recommendations. Since there are no recommendations in this report a management response is not included in this report.

We would like to express our sincere appreciation to the staff of the State Health Labs and Medical Examiner for the cooperation and courtesy extended to the members of our team during this audit.

Respectfully yours,

[Signature]
Dorothy Z. Pastale, CPA, CFF
Chief

c—Jonathan Womer, Director, Office of Management and Budget, Department of Administration
Peter Keenan, State Controller, Office of Accounts and Control, Department of Administration
Honorable William J. Conley, Jr., Chairperson, Senate Committee on Finance
Honorable Marvin Abney, Chairperson, House Finance Committee
Executive Summary

Why the OIA Did This Review
The State Health Laboratories and Medical examiners was rated high on our risk assessment due to prior audits and length of time since their last audit. Our purpose was to determine if the State Health Laboratories and Medical Examiners services is being managed efficiently and effectively in accordance with requirements, statutes, professional standards and State procedures.

Background Information
The Medical Examiner's Office has full National Association of Medical Examiners accreditation. Additionally, the State Health Laboratories maintain accreditations from the Centers for Medicare and Medicaid Services (CLIA Certificate of Compliance for High Complexity Clinical Laboratory), the EPA (Environmental Protection Agency), the FBI (Federal Bureau of Investigations) QAS and ANAB (third-party accreditation agency) to the ISO17025 standards.

The State Health Laboratories’ mission is to provide accurate, timely, and effective laboratory services for public health, environmental protection and forensic science purposes. Program functions include early detection and identification of infectious diseases, identification and measurement of environmental contaminants and the characterization of evidence collected at crime scenes. Services are provided to state and municipal agencies, health care providers and individuals.

The State Medical Examiners Center investigates all known or suspected homicides, suicides, accidents, sudden infant deaths, drug related deaths, medically unattended or unexplained deaths and deaths which may constitute the threat of an epidemic.

The OIA Recommends:
We determined that the State Health Laboratories and Medical Examiners has adequate management controls in place. We did not identify any significant reportable issues and, as such, are not making any recommendations.
Introduction

Cash receipts and Expenditures:

The Rhode Island State Health Labs has contracted with New England Medical Billing (NEMB) to perform all the billings and collections for laboratory services. NEMB will provide electronic medical billing on a weekly basis and accounts receivable management services to clinical testing for the Rhode Island Department of Health State Laboratories. Our sample tests for cash Receipts and Expenditures did not reveal exceptions. Adequate controls were noted in areas reviewed.

Performance Reporting:

Turn-Around Time (TAT) is a Benchmark of OSME case management and State Laboratory Performance. The case management system in place at the OSME is commercially available to provide management and compliance reporting to OSME to maintain National Association of Medical Examiners Accreditation. The State Health Labs are supported by specialized information systems designed to provide management and compliance reporting to maintain laboratory accreditation.

TAT is one of the most noticeable signs of laboratory service and is often used as a key performance indicator for OSME and of State Health Laboratory performance. The OSME has a current standard of finishing 90 percent of exams within 90 calendar days of the date of autopsy for full accreditation. The State Health Labs have a current standard to final report on lab tests to be within between 24 hours and 90 days, depending on the type of test. As part of our audit, we obtained the turn-around times for each lab and recalculated the turn-around times.

We obtained supporting TAT documentation from the Medical Examiners’ case management system and the State Health Laboratory system, reviewed the results and recalculated the TAT’s. The TAT’s followed RISHL and OSME standards.

Objective and Scope

The Office of Internal Audit conducted a review of the State Health Labs and Medical Examiners’ revenues and expenditures. We also conducted a review of the laboratory testing performance and Medical Examiners case management performance turn-around time for compliance with standards.

The audit included revenues and expenditures from FY 2016 to FY 2017. We evaluated controls and compliance with State policy and procedures. Our review of performance measures in the State Medical Examiners and the Rhode state Health Laboratories included an audit of performance documentation relating to turn-around times for 2016 and 2017.
Methodology

During this audit, we noted that the State Health Labs and Medical Examiners had improvements since the last audit. These changes during the last audit have rated the State Health Laboratories and Medical Examiner risk into a lower category.

- Our procedures included a walkthrough of the critical processes.
- Interviews with personnel.
- Data analysis of Case Management and Laboratory Management Information Systems performance reports.
- Review of ME case files and Laboratory reports for compliance with national standard.
- Review cash receipts and expenditures.
- Review of relevant agreements and contracts.

Recommendations

We determined that the State Health Laboratories and Medical Examiners has adequate management controls in place for administering the State Health Laboratories and Medical Examiners. We did not identify any significant reportable issues and, as such, are not making any recommendations.