

**JEFFERY S. BURGH
AUDITOR-CONTROLLER**

COUNTY OF VENTURA
800 SOUTH VICTORIA AVE.
VENTURA, CA 93009-1540



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**COUNTY OF VENTURA,
CALIFORNIA**

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2022

Compiled by:
Jason McGuire, Deputy Director, Auditor-Controller
County of Ventura, California

COUNTY OF VENTURA, CALIFORNIA

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED JUNE 30, 2022

I. FINANCIAL STATEMENT FINDINGS

Finding 2022-001

Financial Reporting

Department's Management Response:

The Auditor-Controller's Office (ACO) management agrees with the recommendation that the County strengthen our current internal control procedure to ensure the proper recording and accuracy of year-end revenue accruals.

View of Responsible Officials and Corrective Action:

Currently, the ACO requires departments to review and provide collection information for their year-end revenue accruals, which includes amount collected, projected remaining, and explanations for accrual to actual differences. In addition to our current procedure, the ACO will reiterate the importance of the current procedure when requesting the information from departments and begin sample testing revenue accruals to determine validity and proper reporting.

Name of Responsible Persons:

Jason McGuire, Chief Deputy Auditor-Controller

Implementation Date:

June 30, 2023

Finding 2022-002

System Procedures Related to Patient Accounts and Patient Credits

Department's Management Response:

Management agrees with the recommendation to review its current policies and procedures and ensure secondary review and approvals of credit balance corrections are documented in the patient encounter.

View of Responsible Officials and Corrective Action:

During fiscal year ended June 2021, Patient Financial Services leadership established and strengthened effective controls to correct Cerner's duplicate contractual posting and monitor any potential "fall outs". A program (aka script) is run each day, including weekends, to review the secondary payor electronic postings and correct any duplicate posting. Total credit balances have been reduced more than 70% since November 2019.

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Some credit balances may fall outside the program noted above. To ensure secondary review and approval of these credit balances are performed and documented, management is creating logic in Cerner for encounters with a credit balance to pend for review and route to a worklist for supervisor/management review and approval, after being manually worked by staff. The adjustment or credit reversal would pend in a queue for supervisor/manager approval before being released to adjust. This will ensure there is a second review and staff are documenting the encounter appropriately. This also ensures the credit balance on the encounter matches the overpayment.

Name of Responsible Persons:

Tim Hawkins, HCA – Ambulatory Care Chief Finance Officer, will be responsible for Federally Qualified Healthcare Center (FQHC) Prospective Payment System (PPS) reconciliation reporting requirements, associated balance sheet reserves and receivables.

Ursula Sutherland, HCA Assistant Chief Finance Officer, will be responsible for Medical Center cost reports and associated balance sheet reserves and receivables.

Implementation Date:

September 30, 2022

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II. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None identified.