

**18-111 Dental Service Research and Development Plan (DSRDP) -  
School of Dentistry Pediatrics Clinic at Greenspoint**

We have completed our audit of the DSRDP School of Dentistry Pediatrics Clinic at Greenspoint. This audit was performed at the request of the UTHealth Audit Committee and was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

**BACKGROUND**

The UTHealth School of Dentistry Pediatrics Clinic at Greenspoint (SoD Greenspoint) joined with Texas Children's Health Plan to bring dental services to The Center for Children and Women (The Center) in the Greenspoint area of Houston. The Center opened in August 2013 to address the primary care medical and dental needs of the underserved populations, who sometimes face a shortage of primary care providers.

SoD Greenspoint provides dental care services for children from birth to 18 years of age whether their needs are basic or complicated. The dental clinic also performs diagnostic, restorative, minor orthodontic, surgical and preventive dental health procedures for children and adolescents.

SoD Greenspoint uses axiUm for the electronic health record system and to manage patient registration, appointment scheduling, and receipt of payment, billing and reporting. The use of axiUm ensures patient records are secure and digitally accessible to enhance diagnosis, treatment and patient education. SoD Greenspoint accepts most traditional insurance plans, CHIP (Children's Health Insurance Program), and Medicaid.

**OBJECTIVE**

The objective of this audit was to determine whether controls over scheduling and patient check-ins, receipt of payment and deposits, recording of charges, billing collections and accounts receivable at SoD Greenspoint are adequate and functioning as intended.

**SCOPE PERIOD**

The scope period was July 1, 2017 through June 30, 2018.

**METHODOLOGY**

The following procedures were performed:

- Reviewed a sample of patients to verify controls over scheduling and patient check-ins are appropriate and functioning as intended. A suggestion was made for SoD Greenspoint Management to either modify clinic's procedure or develop and implement processes to ensure compliance with Clinic's procedures
- Reviewed a sample of transactions to verify controls over receipt of payments and deposits are appropriate and functioning as intended
- Verified the deposit process for proper segregation of duties.

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- Reviewed a sample of deposits for completeness, accuracy and compliance with the Cash Handling Manual.
- Reviewed the billing process for completeness, accuracy and compliance with departmental policies and procedures. A suggestion was made to implement a process to ensure more timely billing.
- Obtained evidence demonstrating the following was performed: review of the monthly reconciliation of payments to the PeopleSoft Financial Management System (FMS), preparation of monthly journal entries, and reconciliation of insurance payments to FMS.
- Performed a trend analysis of the Daily Activities Report, Aged Balance Reports, and Income Statements from July 01, 2016 to June 30, 2018 for reasonableness.

**AUDIT RESULTS**

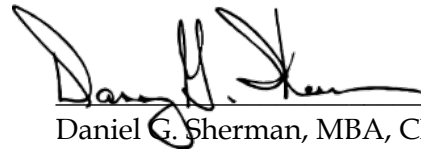
A&AS identified areas of improvement related to:

- Cash Handling and
- Transmission of Patient Health Information (PHI) record.

**NUMBER OF PRIORITY & HIGH FINDINGS REPORTED TO UT SYSTEMS**

None

We would like to thank the staff and management within the Office of the Dean at SoD, the Pediatrics Clinic at Greenpoint and Information Technology team who assisted us during our review.



Daniel G. Sherman, MBA, CPA, CIA  
Assistant Vice President

**MAPPING TO FY 2018 RISK ASSESSMENT**

<b>Risk (Rating)</b>	Management of the pediatric dentistry program (Moderate)
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**DATA ANALYTICS UTILIZED**

<b>Data Analytic #1</b>	None
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**AUDITING & ADVISORY SERVICES ENGAGEMENT TEAM**

<b>Assistant Vice President</b>	Daniel G. Sherman, MBA, CPA, CIA
<b>Audit Manager</b>	Nathaniel Gruesen, MBA, CIA, CISA, CFE
<b>Senior Auditor Auditor Assigned</b>	Diarra Boye, CIA, CFE Vy Ngo
<b>End of Fieldwork Date</b>	10/12/2018
<b>Issue Date</b>	10/30/2018

**Copies to:**  
Audit Committee  
Dr. Valenza  
Joe Morrow  
Diana Mosenge

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<p><b>Issue #1</b></p>	<p>The UT Health Cash Handling states the following:</p> <p><u>SEGREGATION OF DUTIES</u>          “There must be a separation of duties between the person receiving cash and the person responsible for maintaining the accounting records”.</p> <p><u>ENDORSEMENT OF CHECKS:</u>          “All checks are to be restrictively endorsed to “The University of Texas Health Science Center at Houston” immediately upon receipt. This protects the check if it is lost or stolen”.</p> <p><u>CASH RECEIPT ACTIVITY:</u>          “All documents should be maintained in such a manner as to provide a suitable audit trail for all transactions”.</p> <p><u>CASH ASSEST/TRANSFER OF CUSTODY:</u>          “Each cash drawer is restricted to only one employee. All transfers of <i>cash</i> items between persons – either within a department, between departments or between UTHealth and the bank – must be documented and signed by both persons”.</p> <p>A&amp;AS selected a sample of 25 deposits and noted the following:</p> <ul style="list-style-type: none"> <li>• 16 out of 25 (64%) deposits were made by one staff member having both recording and custody functions.</li> <li>• 13 out of 25 (52%) deposits did not show evidence to support the check and money order payments were restrictively endorsed upon receipt.</li> <li>• 25 out of 25 (100%) deposits did not show evidence to support: The axiUm cash register (Bank Deposit) was reconciled to the FMS deposit daily; the review of charges entered into patient’s axiUm account as well the reconciliation to the ledger are performed daily.</li> </ul> <p>In addition, during our audit walkthrough with management at SoD Greenspoint, we noted the following:</p> <ul style="list-style-type: none"> <li>• Key access to the safe is not restricted. Three individuals have combination knowledge access to the safe including the manager.</li> <li>• Access to the lockbox inside the cash drawer located at the front desk as well as the credit card terminal is not restricted. All front desk staff have a key and physical access to the same lockbox/credit card terminal.</li> <li>• There is no documentation to support temporary change fund transfer of custody.</li> </ul>
<p><b>Recommendation #1</b></p>	<p>We recommend SoD Greenspoint Management develop and implement processes to ensure compliance with the Cash Handling Manual</p>
<p><b>Rating</b></p>	<p>Medium</p>
<p><b>Management Response</b></p>	<p>To ensure full understanding of UTHealth Cash Handling policies and appropriate segregation of duties, the Administrative Manager reviewed key protocols for deposit, check endorsement, cash receipt and cash</p>

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	asset/transfer of custody activities with front business staff. This included thorough review and acknowledgement of the Cash Handling Manual and guidelines from Treasury Management. Pertinent log forms have also been created, implemented and maintained to ensure compliant Cash Handling practices. An official policy outlining the workflow of the daily bank deposit and reconciliation process within the DSRDP Operating Manual will also be available in the revised version, due at the end of the 1 <sup>st</sup> Quarter of FY2019.
<b>Responsible Party</b>	DSRDP Management, Administrative Manager
<b>Implementation Date</b>	November 1, 2018

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<p><b>Issue #2</b></p>	<p><u>PROTECTED HEALTH INFORMATION (PHI)/HIPAA:</u>                  HIPAA: 164.312(e)(1) Transmission Security (Standard) states: “Implement technical security measures to guard against unauthorized access to electronic protected health information that is being transmitted over an electronic communication”.</p> <p>HOOP 180: Acceptable Use of University Information Resources states: “Confidential information that must be e-mailed to conduct university business must be sent using a university e-mail account and must be encrypted in accordance with the university’s Acceptable Encryption Policy (ITPOL-003)”.</p> <p>During walkthrough with Management at SoD Greenspoint, we were informed copies of credit cards, cash and check receipts along with patient’s name, chart number, etc. are scanned with deposit accounting entries and sent to the bursar’s office on a daily basis by email without encryption.</p>
<p><b>Recommendation #2</b></p>	<p>We recommended SoD Greenspoint Management:</p> <ul style="list-style-type: none"> <li>• Work with the Bursar’s Office to determine what information needs to be included with the deposit.</li> <li>• Develop a process to ensure PHI is not included in deposits or emails unless specifically required. SoD Greenspoint should also ensure any email containing protected information is encrypted.</li> </ul>
<p><b>Rating</b></p>	<p>Low</p>
<p><b>Management Response</b></p>	<p>In effort to safeguard against unauthorized access to electronic Protected Health Information transmitted via electronic communication, such as email, UHealth Dentistry Greenspoint will no longer include PHI in deposit emails to the Bursar’s office, moving forward. In the event that the Bursar’s office is emailed information pertaining to Greenspoint’s daily deposits, all PHI will be redacted from any support documentation prior to submission via encrypted email.</p>
<p><b>Responsible Party</b></p>	<p>DSRDP Management, Administrative Manager</p>
<p><b>Implementation Date</b></p>	<p>November 1, 2018</p>