



FULTON COUNTY

FULTON COUNTY, GEORGIA

OFFICE OF INTERNAL AUDIT

FULTON COUNTY HOUSING AND HUMAN SERVICES

OFFICE OF AGING

SENIOR TRANSPORTATION AUDIT

May 24, 2010

Introduction

We have reviewed the billings of the transportation contractors that provide services for Fulton County Senior Centers to determine if there are any improper charges to Fulton County. The State of Georgia Department of Human Resources (DHR) has entered into a contract with six transportation contractors to provide transportation services to meet the special needs of elderly and disabled persons of Fulton County. Fulton County commits funding to purchase transportation services through the Coordinated Transportation Program of the Georgia Department of Human Services.

Objective:

The objective of our audit was to review invoices for authorization, accuracy, and proper supporting documentation and to determine if transportation contractors are following appropriate policies and procedures for billing to Fulton County and DHR.

Scope:

The period covered by this audit is from January 1, 2009 to December 31, 2009.

Methodology:

During our audit of the transportation charges, we examined evidence to determine compliance with the contracts, policies and procedures. Based on materiality, we reviewed invoices submitted by three out of six of the transportation contractors to DHR. On a test basis, we randomly selected:

- Bi-weekly invoices for eight centers over a five month period for Atlanta Transportation System.
- September invoices for all of the Centers and February invoices for one Center serviced by Southeastrans, Inc.
- Bi-weekly invoices for four months for demand response services by Specialized Transportation System, Inc.

Findings and Recommendations:

Finding 1 - Improper Billings

The DHR Manual, Section F, sub section 21, stipulates that the contractors provide the ability to reconcile trips ordered to trips billed to DHR. In addition, the contractors must summarize daily information for reporting and billing purposes. During our review of ATS and Specialized Transportation Systems, we noted several instances in which the daily driver's manifest did not agree to the bi-weekly trip logs. Examples include:

- An overcharge of \$86.52 for trips billed to the Darnell Center for the bi-week period of July 16-31, 2009.
- An overcharge of \$111.20 for trips billed to the Central Training Center for the bi-week period of July 16-30, 2009.

- An overcharge of \$129.78 for trips billed to the Auburn Center for the bi-week period of August 1-15, 2009.
- An overcharge of \$706.58 for trips billed to the North Training Center for the bi-week of September 15-30, 2009.
- An overcharge of \$41.70 for trips billed to the Frazer Center for the bi-week period of August 1-15, 2009.
- An overcharge of \$846.79 for trips billed to the Bethlehem Center for the month of September 2009.
- An overcharge of \$389.34 for trips billed to the Dogwood Center and the New Horizon Center for the month of November 2009.
- An overcharge of \$54 for demand response billing for four months of 2009.

Failure to follow the DHR Manual resulted in Fulton County and DHR being overbilled for transportation charges.

Recommendations:

All trips should be reviewed to ensure that they are billing for the accurate number of trips. Fulton County Human Services Department's Office of Aging Transportation Division should increase the monitoring of charges and billing before they are submitted to DHR. In addition, they should periodically perform site visits and reconcile randomly selected trip logs to the driver's manifest.

Finding 2 - Number of Trips Not Properly Recorded

The DHR Manual, Section F, sub section 21, specifies that the contractors provide the ability to reconcile trips ordered to trips billed. The contractors must also summarize daily information for reporting and billing purposes. During our review, we noted instances in which daily trip logs did not agree with the amount billed on monthly invoices. The data was not properly reviewed prior to submission to DHR. This resulted in improper billing to Fulton County and the State.

Recommendations:

All monthly invoices should be properly reviewed before submitted to DHR to ensure accurate billing. Fulton County Human Services Department's Office of Aging Transportation Division should perform appropriate reviews of the trips logs and amounts billed before submission to DHR.

Finding 3 - Reimbursement Request Does Not Agree to Monthly Invoices

The DHR Manual, Section F, sub section 21, states that the contractors provide the ability to reconcile trips ordered to trips billed to DHR. Contractors should also summarize daily information for reporting and billing purposes. Hours for group trips included on the monthly invoices submitted to DHR should agree to the Group Trip Reimbursement Request maintained by ATS. We noted that the hours for group trips for Central Training Center for the period of July 1-15, 2009 did not agree to the monthly invoice amount. ATS did not properly record the accurate number of hours resulting in an overcharge.

Recommendations:

All invoices should be properly reviewed prior to submission to DHR to ensure accurate invoice amounts billed for each center.

Finding 4 - Billing for Cancelled Trips

According to the DHR manual, Section E, sub section 3 and 4, a cancellation notice must be sent to the transportation provider prior to pick-up. We noted several instances where cancellation forms were on file for individuals, however, trip logs and driver's manifest indicated that trips were billed for the cancelled individual on the same day. This suggests the cancellation process is not being properly followed. This resulted in improper billing to Fulton County and DHR, however, due to conflicting information we are unable to determine an amount.

Recommendations:

We recommend the cancellation process be reviewed and revised to ensure that trip cancellations are properly handled.

Finding 5 - Monitoring Process Not Being Followed

Adequate monitoring procedures would require center managers to review and sign every trip log that supports the invoice submitted to DHR for payment. ATS trip order logs were not properly reviewed and signed by the managers or an authorized official of the senior centers. When the center managers fail to properly review and sign the trip order logs, there is the inherent risk that the DHR would pay for the services that were never provided.

Recommendations:

We recommend that the processes and procedures for the payment of invoices by DHR be improved. Invoices should not be paid until all the trip logs supporting the invoices are signed by the center managers.

Finding 6 - Failure to Properly Review and Approve Payment of Invoices

Adequate internal control procedures would require center managers to properly review and approve all corrections between the contractors and DHR before the invoice is paid. Corrections to the billing information submitted by the ATS for payment and accepted by the State Department of Human Services were not reviewed and approved by the Senior Center. In November 2009, ATS submitted and requested for payment 408 ambulatory trip services, whereas, the supporting trip log showed 396 ambulatory trip services. Failure by the center managers to properly review and approve corrections on the invoice and supporting documents resulted in overcharge of \$173.04 to the Fulton County and DHR.

Recommendations:

We recommend that the processes and procedures for the payment of invoices by DHR be improved. Invoices should not be paid until all corrections for services that are provided to centers are approved by the center manager.

Finding 7 - Billing for Ineligible Seniors

The DHR contract with Southeastrans, Inc. stipulates that back up information indicating the names of consumers and dates of trips must be submitted with the invoice to DHR. During our testing, we noted Southeastrans, Inc. reimbursement for two individuals who did not attend the Benson Center or the adjoining Sandy Springs Day Center. These individuals were not listed on the center's rosters as members. This is the result of providing DHR transportation with a list that contains ineligible consumers transported on a specific date. We will not be able to determine the extent of ineligible seniors without expanding the scope of our audit.

Recommendations:

The transportation contractors should only bill for individuals eligible to receive transportation services.

Finding 8 - Insufficient Documentation for Invoice Payments

The DHR contract with Southeastrans, Inc. stipulates that back up information indicating the names of consumers and dates of trips must be submitted with the invoice to DHR. During our review, we noted several invoices that did not contain adequate back up documentation for each trip. Southeastrans, Inc. failed to abide by reporting requirements of the DHR contract. As a result, it was impossible to determine if the contractor billed for the accurate number of trips.

Recommendations:

We recommend that transportation providers submit all documentation as required under the terms of the DHR contract.

Finding 9 - Forms Not Standardized

The Fulton County Human Services Department Policy requires the coordination and monitoring of performance of subscription transportation requests. During our review of the senior centers, we noted that several forms used to monitor the transportation processes are not uniform from center to center. As a result of not requiring the use of standardized forms by the Human Services Department has resulted in inconsistent reporting.

Recommendations:

The Department of Human Services Transportation Coordinator should develop standardized forms to coordinate and monitor all transportation data.

Finding 10 - Double Billing of Trips

The DHR Manual, Section F, sub section 21, requires the contractor to provide the ability to reconcile trips ordered to trips billed. During our audit, we noted an instance of a double billing by Southeastrans, Inc. Southeastrans, Inc. did not reconcile the billing information before submission to DHR. This resulted in an overbilling totaling \$766.72 for September 2009.

Recommendations:

We have requested that DHR determine the extent of the double billing. In addition, we recommend that all overpayments be refunded.



INTER-OFFICE MEMORANDUM

TO: Commissioner Emma I. Darnell, Fifth District
Fulton County Board of Commissioners

THROUGH: Zachary L. Williams, County Manager
Office of the County Manager

FROM: Troy D. White, Interim Director
Human Services Department

DATE: July 20, 2010

RE: Senior Transportation Audit Findings Update

This memorandum is submitted to provide an update of the actions taken by staff to address recommendations of the internal audit of senior transportation.

Finding – 1 Improper Billings

The DHR Manual, Section F, sub section 21, stipulates that the contractors provide the ability to reconcile trips ordered to trips billed to DHR. In addition, the contractors must summarize daily information for reporting and billing purposes. During our review of ATS and Specialized Transportation Systems, we noted several instances in which the daily driver's manifest did not agree to the bi-weekly trip logs. Examples include:

- An overcharge of \$86.52 for trips billed to the Darnell Center for the bi-week period of July 1-15, 2009.
- An overcharge of \$111.20 for trips billed to the Central Training Center for the bi-week period of July 1-15, 2009.
- An overcharge of \$129.78 for trips billed to the Auburn Center for the bi-week period of August 1-15, 2009.
- An overcharge of \$706.58 for trips billed to the North Training Center for the bi-week of September 15-30, 2009.
- An overcharge of \$41.70 for trips billed to the Frazer Center for the bi-week period of August 1-15, 2009.
- An overcharge of \$846.79 for trips billed to the Bethlehem Center for the month of September 2009.
- An overcharge of \$389.34 for trips billed to the Dogwood Center and the New Horizon Center for the month of November 2009.
- An overcharge of \$54 for demand response billing for four months of 2009.

Failure to follow the DHR Manual resulted in Fulton County and DHR being overbilled for transportation charges.

Recommendations: All trips should be reviewed to ensure that they are billing for the accurate number of trips. Fulton County Human Services Department's Office of Aging Transportation Division should increase the monitoring of charges and billing before they are submitted to DHR. In addition, they should periodically perform site visits and reconcile randomly selected trip logs to the driver's manifest.

Actions Taken: Staff is implementing a Trip Verification Form (attached) that must be submitted to site supervisors (Center Managers, Program Coordinators, etc.) for review. Each site is required to maintain a Transportation Service Log indicating trips taken, cancelations, and no shows. The site supervisor must reconcile the information on the Trip Verification Form to the Transportation Service Log. If there are no discrepancies the supervisor signs the form, indicates there are no discrepancies, and returns the completed form to the transportation service provider. If discrepancies are found, they must be noted on the form and the form is returned to the vendor. Disputed charges will be disallowed. The site supervisors are to return the completed form within five days. The site supervisors are also to submit the Trip Verification Form and Transportation Service Log to the Transportation Customer Service Office.

The service providers must submit the completed Trip Verification Form with their invoice to the State and the County. County staff will review the invoices, comparing them with the Trip Verification Forms submitted by site supervisors, to ensure that disallowed charges were removed and will notify the State Regional Transportation office of approval for payment.

A meeting was held with all vendors on June 28, 2010, to review the trip verification process and discussed the overbilling. The County will be receiving reimbursement for the overbilling noted above.

Finding – 2 Number of Trips Not Properly Recorded

The DHR Manual, Section F, sub section 21, specifies that the contractors provide the ability to reconcile trips ordered to trips billed. The contractors must also summarize daily information for reporting and billing purposes. During our review, we noted instances in which daily trip logs did not agree with the amount billed on monthly invoices. The data was not properly reviewed prior to submission to DHR. This resulted in improper billing to Fulton County and the State.

Recommendations: All monthly invoices should be properly reviewed before submitted to DHR to ensure accurate billing. Fulton County Human Services Department's Office of Aging Transportation Division should perform appropriate reviews of the trips logs and amounts billed before submission to DHR.

Actions Taken: Recommendations for Finding 2 is satisfied by the implementation of the Trip Verification process described in Finding 1. The process includes a review by Office of Aging staff prior to notifying DHR of approval to make payments.

Finding – 3 Reimbursement Request Does Not Agree to Monthly Invoices

The DHR Manual, Section F, sub section 21, states that the contractors provide the ability to reconcile trips ordered to trips billed to DHR. Contractors should also summarize daily information for reporting and billing purposes. Hours for group trips included on the monthly invoices submitted to DHR should agree to the Group Trip Reimbursement Request maintained

by ATS. We noted that the hours for group trips for Central Training Center for the period of July 1-15, 2009 did not agree to the monthly invoice amount. ATS did not properly record the accurate number of hours resulting in an overcharge.

Recommendations: All invoices should be properly reviewed prior to submission to DHR to ensure accurate invoice amounts billed for each center.

Actions Taken: Recommendations for Finding 3 is satisfied by the implementation of the Trip Verification process described in Finding 1. The invoices will be reviewed by County staff in comparison to documents submitted by site supervisors prior to notifying the State of approval to make payments.

Finding – 4 Billing for Cancelled Trips

According to the DHR manual, Section E, sub section 3 and 4, a cancellation notice must be sent to the transportation provider prior to pick-up. We noted several instances where cancellation forms were on file for individuals, however, trip logs and driver's manifest indicated that trips were billed for the cancelled individual on the same day. This suggests the cancellation process is not being properly followed. This resulted in improper billing to Fulton County and DHR, however, due to conflicting information we are unable to determine an amount.

Recommendations: We recommend the cancellation process be reviewed and revised to ensure that trip cancellations are properly handled.

Actions Taken: To ensure proper documentation and notification of canceled trips, cancellation notifications are now sent to the service provider and site supervisor. This provides the cancellation information to all parties and enables the site supervisors to properly document cancellations on the Transportation Service Log and readily reconcile them with invoices.

Finding – 5 Monitoring Process Not Being Followed

Adequate monitoring procedures would require center managers are required to review and sign every trip log that supports the invoice submitted to DHR for payment. ATS trip order logs were not properly reviewed and signed by the managers or an authorized official of the senior centers. When the center managers fail to properly review and sign the trip order logs, there is the inherent risk that the DHR would pay for the services that were never provided.

Recommendation: We recommend that the processes and procedures for the payment of invoices by DHR be improved. Invoices should not be paid until all the trip logs supporting the invoices are signed by the center managers.

Actions Taken: Recommendations for Finding 5 is satisfied by the implementation of the Trip Verification process described in Finding 1. Trip Verification Forms must be signed by the site supervisors and the Invoices are reconciled again by Fulton County prior to notifying the State of approval to make payments.

Finding – 6 Failure to Proper Review and Approve Payment of Invoices

Adequate internal control procedures would require center managers to properly review and approve all corrections between the contractors and DHR before the invoice is paid. Corrections to the billing information submitted by the ATS for payment and accepted by the State

Department of Human Services were not reviewed and approved by the Senior Center. In November 2009, ATS submitted and requested for payment 408 ambulatory trip services, whereas, the supporting trip log showed 396 ambulatory trip services. Failure by the center managers to properly review and approve corrections on the invoice and supporting documents resulted in overcharge of \$173.04 to the Fulton County and DHR.

Recommendation: We recommend that the processes and procedures for the payment of invoices by DHR be improved. Invoices should not be paid until all corrections for services that are provided to centers are approved by the center manager.

Actions Taken: Recommendations for Finding 6 is satisfied by the implementation of the Trip Verification process described in Finding 1. Trip Verification Forms must be signed by the site supervisors and the Invoices are reconciled again by Fulton County staff to ensure that corrections have been made prior to notifying the State of approval to make payments.

Finding – 7 Billing for Ineligible Seniors

The DHR contract with Southeastrans, Inc. stipulates that back up information indicating the names of consumers and dates of trips must be submitted with the invoice to DHR. During our testing, we noted Southeastrans, Inc. obtained reimbursement for two individuals who did not attend the Benson Center or the adjoining Sandy Springs Day Center. These individuals were not listed on the center's rosters as members. This is the result of providing DHR transportation with a list that contains ineligible of consumers transported on a specific date. We will not be able to determine the extent of ineligible seniors without expanding the scope of our audit.

Recommendation: The transportation contractors should only be billing for individuals eligible to receive transportation services.

Actions Taken: The Trip Verification Form will be used by site supervisors to indicate all discrepancies, including the inclusion of an ineligible senior/consumer. In addition, staff is coordinating with DHR to update all client registration documents to ensure that both offices have an accurate record of eligible clients.

Finding – 8 Insufficient Documentation for Invoice Payments

The DHR contract with Southeastrans, Inc. stipulates that back up information indicating the names of consumers and dates of trips must be submitted with the invoice to DHR. During our review, we noted several invoices that did not contain adequate back up documentation for each trip. Southeastrans, Inc. failed to abide by reporting requirements of the DHR contract. As a result, it was impossible to determine if the contractor billed for the accurate number of trips.

Recommendation: We recommend that transportation providers submit all documentation as required under the terms of the DHR contract.

Actions Taken: A meeting was held with all vendors on June 28, 2010, to review the trip verification process and ensure that service providers know and will comply with requirements to submit support documentation.

Finding – 9 Forms Not Standardized

The Fulton County Human Services Department Policy requires the coordination and monitoring of performance of subscription transportation requests. During our review of the senior centers, we noted that several forms used to monitor the transportation processes are not uniform from center to center. Not requiring the use of standardized forms by the Human Services Department has resulted in lack of consistency in the reporting process.

Recommendation: The Department of Human Services Transportation Coordinator should develop standardized forms to coordinate and monitor all transportation data.

Actions Taken: Office of Aging staff is reviewing all forms utilized to communicate and collect transportation data and will issue standardized forms. All components of the system (service providers, service sites, transportation office) will be required to use the standardized forms with no revisions.

Finding – 10 Double Billing of Trips

The DHR Manual, Section F, sub section 21, requires the contractor to provide the ability to reconcile trips ordered to trips billed. During our audit, we noted an instance of a double billing by Southeastrans, Inc. Southeastrans, Inc. did not reconcile the billing information before submission to DHR. This resulted in an overbilling totaling \$766.72 for September 2009.

Recommendation: We have requested that DHR determine the extent of the double billing. In addition, we recommend that all overpayments be refunded.

Actions Taken: Staff has forwarded a copy of the Audit Report to the State Regional Transportation Office and requested that the June 2010 invoices indicate the appropriate credits to satisfy the refund.

Staff has taken additional steps to strengthen its oversight role in the Coordinated Transportation System in areas that were not indicated by the Audit Report, as follows:

No Shows

Transportation service providers are required to notify the Fulton County Transportation Office of a “No Show” within three (3) hours of the occurrence. If documentation of a proper cancelation is present, staff will notify the service provider, providing a copy of the document, and instruct the provider to indicate the trip as a cancelation on their next monthly report.

Site Visits and Monitoring

During site visits the Human Services Transportation Coordinator will review the Transportation Service Logs and files to ensure that site supervisors are logging trips on a daily basis and maintaining back-up documentation to support discrepancies.

Staff has also negotiated the following additions to the contract with the State.

Right to Inspect – The County has the right to inspect all vehicles used by the Coordinated Transportation System vendors to provide services to Fulton County residents.

Complaint Investigation and Resolution – DHS will establish a standing monthly meeting with vendors to investigate and respond to complaints and any other matters connected to service provision

The Contractor will coordinate with the County to update the customer service/complaint resolution process in such a way that will

- a. Enable staff to efficiently track the progress of complaint resolution.
- b. Have the capacity to produce time sensitive reports on outstanding and resolved complaints.
- c. Provide the ability to produce reports related to the type of complaints.
- d. Provide uses of the transportation system alternative methods of reporting complaints, such as a web-based complaint process.

Vehicle Standards – Use of vehicles over 200,000 miles or 7 years old is contingent upon approval based on an inspection conducted by a Fulton County employed Certified Mechanic.

If you need additional information, please call me at 404-613-7944.

TDW/kdm

cc: Gerry Easley, Deputy Director, Human Service Department