

Memorandum



Date: April 24, 2013

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Update on Miami Beach Community Health Center

This memorandum provides the Board of County Commissioners (Board) with an update of the on-going County oversight of the Ryan White-funded contractor Miami Beach Community Health Center (MBCHC) as reported to the Board in the attached memorandum dated March 7, 2013.

As stated previously, former MBCHC Chief Executive Officer Kathryn Abbate was arrested and charged with a count of Organized Scheme to Defraud and Grand Theft 1st degree by the Miami-Dade State Attorney's Office. Since the date of the memorandum, she has plead guilty and awaits sentencing.

The Grants Coordination Division of the Office of Management and Budget conducted a comprehensive (fiscal, administrative, and programmatic) site visit at MBCHC for all Ryan White Part A and Minority AIDS Initiative services provided by the agency, including outpatient medical care, medical case management, health insurance premium payment, prescription drug services, mental health therapy, residential substance abuse services, and transportation voucher services. Grants Coordination completed the site visit report, which resulted in 46 findings that requires MBCHC to re-pay the County a total of \$580,165.98 in federal Ryan White funds due to insufficient documentation to support service provision (\$5,086.09) and inappropriate time and effort documentation for staff charged to the Ryan White Program (\$575,079.89).

Grants Coordination will be sharing the report with MBCHC's Board of Directors, with the County's Office of Inspector General, and the Health Resources and Services Administration, the federal funder.

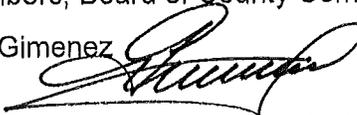
Attached for your review is a four-page Site Visit Report summary. If you have any questions, please feel free to call Daniel T. Wall, Assistant Director, Office of Management and Budget, at 305 375-4742.

Attachments

- c. Edward Marquez, Deputy Mayor
- Jennifer Moon, Director, Office of Management and Budget
- Daniel T. Wall, Assistant Director, Office of Management and Budget
- Charles Anderson, Commission Auditor

Memorandum



Date: March 7, 2013
To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners
From: Carlos A. Gimenez
Mayor 
Subject: Update on Miami Beach Community Health Center

This memo is provided to update the Board of County Commissioners on the status of the on-going and increased County oversight of Ryan White contractors, including Miami Beach Community Health Center (MBCHC) as reported to the Board in the supplemental memo dated December 18, 2012 (attached).

On February 13, 2013, the former MBCHC Chief Executive Officer Kathryn Abbate was arrested and charged with a count of Organized Scheme to Defraud and Grand Theft 1st degree by the Miami-Dade State Attorney's Office. In addition to the State charges, Abbate was also charged by the U.S. Attorney's Office for the Southern District of Florida with a count of Theft Concerning Programs Receiving Federal Funds.

In November 2012, after consultation with federal grant Project Officers, the County's Office of Inspector General and the County Attorney's Office, an amendment to MBCHC's existing contract was approved. The amendment included numerous special conditions of award, which to date, as detailed in the attached memo, have all been met by MBCHC.

The Grants Coordination office within the Office of Management and Budget (OMB) has been reviewing all MBCHC Board minutes to assure that board members are informed of and included in all MBCHC programmatic, fiscal, and administrative matters. Any issues or concerns that are identified in these minutes are followed up on by Grants staff with MBCHC executive staff. Grants staff will request placement on an upcoming MBCHC Board meeting to present the findings from the County's extensive site visit report, which will soon be released to the MBCHC Board's Fiscal Oversight Committee.

OMB has recently established and hired a Compliance Officer whose sole responsibility will be to work with existing Contracts Officers to conduct comprehensive site visit audits to all Ryan White-funded providers and programs, as mandated by HRSA, the federal funding agency in "The National Fiscal and Program Monitoring Standards." It is expected that comprehensive site visits to all the Ryan White funded agencies will be scheduled, conducted, and a subsequent report will be distributed to each agency on a monthly basis. Additionally, for MBCHC, the special conditions contained in the contract amendment will be incorporated into MBCHC's new contract which begins March 1, 2013.

If you require additional information, please contact Daniel T. Wall at (305) 375-4742.

Attachment

c: Edward Marquez, Deputy Mayor
Jennifer Moon, Director, Office of Management and Budget
Daniel T. Wall, Assistant Director, Office of Management and Budget

Memorandum



Date: December 18, 2012

To: Honorable Vice Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

From: Carlos A. Giménez
Mayor 

Subject: Supplement to Legislat 1228521 Health and Support Services for Persons Living with HIV/AIDS

Supplement to
Agenda Item No. 8G1

This supplement is provided to update the Board of County Commissioners on the status of the on-going investigation at Miami Beach Community Health Center (MBCHC), one of the entities recommended for award through RFP No. 0313. MBCHC (formerly known as Stanley C. Myers Community Health Center) is a Federally Qualified Health Center with a total client population of approximately 20,000. MBCHC has been funded by the County under the Ryan White Part A Program for more than 20 years. MBCHC currently provides a wide array of health care and support services, including, but not limited to, outpatient medical care, prescription drugs, oral health care, medical case management, and mental health therapy/counseling, to approximately 3,000 eligible residents of Miami-Dade County living with HIV or AIDS.

In 2010, due to the sale of Mercy Hospital, Inc. to a for-profit entity, Mercy Hospital worked with MBCHC to transition its entire Ryan White Program, including program-related staff and an extensive network of contracted medical providers. This was necessary due to federal legislation restricting funding to for-profit organizations. The transition was complete in March 2011. Presently, MBCHC manages a provider network of 73 private physicians and mental health care providers throughout the County.

In July 2012, the U.S. Department of Health and Human Services' Office of Inspector General (OIG) and the U.S. Health Resources and Services Administration (HRSA) HIV/AIDS Bureau (HAB) conducted an investigation into alleged embezzlement and mismanagement of federal funds by persons at MBCHC. Initially, the main focus of this OIG investigation was related to MBCHC's Bureau of Primary Healthcare Section 330 funding. This focus grew to include MBCHC's remaining federal funds. Around the same time, the Chief Executive Officer, Chief Financial Officer, and Chief Compliance Officer were fired by MBCHC's Board of Directors. As reported in the media, the Chief Executive Officer allegedly embezzled more than \$7 million dollars from MBCHC over a five-year period beginning in 2007.

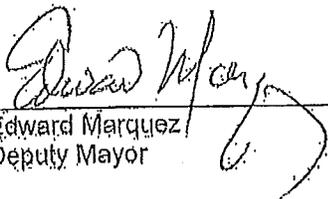
Since July 2012, County staff has been working closely with the federal and County OIG in support of their investigations and MBCHC's Board also commissioned an independent forensic audit. In addition, staff conducted a comprehensive, eight-day site visit to various MBCHC service locations in order to review programmatic, administrative, and fiscal records. Preliminary concerns and findings mirrored those also identified in the MBCHC's forensic audit, including but not limited to, mismanagement of funds and a lack of internal controls. However, it is important to note that reviewers are confident that based on the documentation reviewed MBCHC had indeed provided allowable, medically appropriate, and required services to eligible clients living with HIV or AIDS.

In November 2012, after consultation with federal grant Project Officers, the County OIG, and the Assistant County Attorney, an amendment to MBCHC's existing contract, which included numerous special conditions of award, was approved. These special conditions, the majority of which have already been satisfied by MBCHC, include:

- A restriction on the use of funds related to salary bonuses, special payments, loans to staff, merit increases, and travel;
- Submission of a revised Chart of Accounts by funding source, an annualized agency-wide budget detailing all budget line items and expenses, a Time and Effort reporting methodology, and a cost allocation methodology for how costs would be attributed to multiple funding sources;
- A requirement to tighten internal controls based on Generally Accepted Accounting Principles (GAAP) and OMB A-133 single audit requirements;
- Recruitment of new board members that have appropriate legal and financial expertise;
- Submission of a revised Fiscal and Operational Policies and Procedures;
- Submission of MBCHC Board of Directors' meeting minutes on a monthly basis beginning August 2012;
- Submission of a revised Signature Authority Form removing all terminated staff; and
- A review of all employee personnel files and contracted providers' files to ensure that only competent, qualified, and ethical persons continue to hold or are hired for their respective positions.

In addition to the Chief Executive Officer, Chief Financial Officer, and Chief Compliance Officer, all former MBCHC financial staff have separated from the agency, either by termination or resignation. Investigations being conducted by various authorities are on-going and possible criminal charges are pending. It appears that all of the personnel involved in the alleged theft have been terminated and the MBCHC Board of Directors is aggressively taking corrective action to address all concerns and ensure continuity of care to clients.

As directed by the County Attorney's Office, the Evaluation/Selection Committee members for RFP No. 0313 were instructed to base scoring solely on the content of the written proposals. Further, additional safeguards put in place by MBCHC and the County via the Amendment to the Fiscal Year 2012 Professional Services Agreement (contract) for Ryan White Program Services will be included in any new agreement resulting from RFP No. 0313 contract award recommendations. Staff will continue to closely monitor this situation and will advise the Board of any further developments.



Edward Marquez
Deputy Mayor

Mayor01913

**Miami-Dade County, Office of Management and Budget-Grants Coordination (OMB-GC)
RYAN WHITE PROGRAM - SITE VISIT REPORT SUMMARY**

Contract Periods Examined: FY 2011 (September 2011 through February 2012) and FY 2012 (March 2012 through May 2012)

AGENCY REVIEWED: Miami Beach Community Health Center, Inc. (MBCHC)
DATE OF REPORT: March 29, 2013
DATE OF SITE VISIT: September 5 and 6, 2012 (additional site visits were performed throughout September 2012, as noted in the attached monitoring instrument)

TYPE OF VISIT: Comprehensive Site Visit

Objective and Methodology

This monitoring site visit focused on Miami Beach Community Health Center's (MBCHC) Ryan White Program-funded service categories as follows: Outpatient Medical Care [Part A and Minority AIDS Initiative (MAI)], Medical Case Management (Part A), Prescription Drugs (Part A and MAI), Oral Health Care (Part A), Health Insurance (Part A), Substance Abuse Counseling-Residential (Part A), Mental Health Therapy/Counseling (Part A), and Transportation Vouchers (Part A). Fiscal Year (FY) 2011 and FY 2012 services were reviewed based on clients served and reimbursement requests received and processed by Miami-Dade County's Office of Management and Budget-Grants Coordination/Ryan White Program through May 2012. Actual months of service reviewed were November 2011, January 2012, March 2012, and May 2012.

The objective of this monitoring site visit was to determine MBCHC's compliance with Ryan White Program contract requirements, which include client eligibility documentation, program administration, and appropriateness of fiscal billing practices as required by the FY 2011-12 and FY 2012-13 Professional Services Agreement (PSA) for Ryan White Program-funded services (i.e., YR 21 and YR 22 Part A/MAI Continuation Contract). Client chart reviews were conducted in order to verify if MBCHC's Ryan White Program clients were properly screened for the following eligibility criteria: medical, financial, and Miami-Dade County permanent residency requirements in order to receive Ryan White Program-funded services. Additionally, the review checked if there was documentation on file to support client ineligibility for other funding sources (i.e., Medicaid, Medicare, etc.); as well as to ensure the Ryan White Program was used as the payer of last resort. Client eligibility is verified by reviewing if the agency has a current Ryan White Program Certified Referral, or a current Out-of-Network (OON) Referral accompanied by proper supporting documentation. Referrals are only accepted to document proof of eligibility if they were complete, are within six (6) months of the date the service was rendered to the client, and, where applicable, are accompanied by appropriate supporting documentation.

A query conducted via the Service Delivery Information System (SDIS) by monitoring staff of MBCHC's FY 2011-12 and FY 2012-13 Ryan White Program Continuation Contract indicated that an average of approximately 3,316 Ryan White Program clients were actually served by MBCHC in these two fiscal years. A combined total of 100 unduplicated Ryan White Program clients served by MBCHC from FY 2011 and FY 2012 were selected at random, by unique Ryan White Program

Client Identification System number (CIS#) and by unique agency identification number. In accordance with the federal monitoring standards, this sample size represents approximately 3% of MBCHC's total client population.

Ten (10) clients from the original random sample did not receive services at MBCHC during the months in this review period. Therefore, eligibility was not reviewed for these ten (10) clients on-site at MBCHC. However, OMB-GC/RW staff did check the eligibility of these ten (10) clients through the SDIS, the local program's network database for client eligibility, service delivery, referral, billing, and reporting purposes. All ten (10) of these clients were found to be eligible, as evidenced by a notation of the receipt of an Out of Network (OON) Referral in the SDIS, including a notation of the type of supporting documentation accompanying the referral. All CIS#s were provided to MBCHC one day before the monitoring site visit.

None of the 100 clients in the initial review sample received residential substance abuse treatment during the months that were reviewed. In order to include this service in the review, an additional six (6) clients were selected. A review of billing and of eligibility was conducted for these six (6) clients at the location of the subcontractor for this service, St. Luke's Addiction Recovery Center. There were no variances in billing and all six (6) clients were documented as eligible for services through a Ryan White Program Certified Referral.

OMB-GC monitoring staff also conducted a review of MBCHC's programmatic and administrative operations, billing and accounting practices, payroll procedures, accounts payable records, personnel files of current and former employees, subcontractor records, client participation in the agency's operations, and activities related to MBCHC's Board of Directors.

Due to time constraints, for all clients in the review sample who received specialty care services from the contracted provider network, the review was limited to those clients who were served by one of four contracted physicians. Of the more than 30 physicians in the MBCHC Provider Network, a sampling of four (4) contracted Specialty Network physicians (Dr. Vanessa Silebi, Dr. Michelle Powell, Dr. Clifford Kinder, and Dr. Sherif Shafey) and seven (7) of MBCHC-employed (in-house) physicians (Dr. Simmons, Dr. Allen Silanee, Dr. Jorge Rangel, Dr. Johann Torres, Dr. Mark Keller, Dr. Stephen Weirich, and Dr. Phillip Decubellis) was conducted. From this sampling, client medical charts (hard copy or electronic) were reviewed to identify if the medical notes and documentation supported the units of service billed to the program. All services billed for and reviewed during in this monitoring visit for the on-site physicians employed by MBCHC were documented in the electronic medical records and the organization's Citrix data system, as evidenced by OMB-GC/RW fiscal staff doing the review. The Citrix data system includes the local Ryan White Program's approved Current Procedural Terminology (CPT) codes, including but not limited to Evaluation and Management (E/M) and laboratory procedure codes, date of service, and the physician's initials. Eleven (11) client records were reviewed at Dr. Silebi's office; nine (9) client records were reviewed at Dr. Powell's office; five (5) client records were reviewed at Dr. Kinder's office; and five (5) client records were reviewed at Dr. Shafey's office.

The required Letter of Medical Necessity (LOMN) for the Trofile Tropism Assay test was not provided in the two (2) of the three (3) instances requested. The request for the LOMN for CIS329538 from the on-site MBCHC physician Dr. Johann Torres was provided and meets the requirements. However, two (2) additional LOMNs were requested and not found during the visits at the subcontracted provider sites.

Client records were also reviewed at four (4) mental health therapist sites: Dr. Maria Zayas-Bazan; Zoraida Sanchez, LCSW; Candice Silebi, LMHC; and Maribel Quijala, LCSW. Based on clients served by these counselors or therapists in the review sample and review months, up to three (3) client records were reviewed at each site.

MBCHC was notified two (2) business days before the scheduled visit, and was provided with a list of CIS#s on September 5, 2012, the day before the visit. Access to a list of client records selected for monitoring was limited to the day before the review so that the agency could not make any last minute alterations to the client records in the sample.

Additional Concerns Prompting this Site Visit

This comprehensive site visit was conducted as part of the grantee's oversight of subgrantee's compliance with contractual requirements. Additionally, this site visit was performed in response to embezzlement allegations and numerous federal, state, and local investigations at MBCHC.

Summary of Entrance Interview

On the morning of the site visit, monitoring staff met with MBCHC staff to conduct an entrance interview. The entrance interview covered the purpose of the visit (e.g., allegations of embezzlement and possible relation to the Ryan White Part A/MAI Program; as well as the Health Resources and Services Administration's, the federal funding source, annual comprehensive site visit requirement). During the entrance interview, monitoring staff requested from the agency a "crosswalk" of agency identification number versus program client identification system (CIS) number to facilitate the review of client charts for client eligibility review and the billing audit. A brief review of the monitoring tool was conducted, and an overview indicating the focus of the visit on documentation to support client eligibility, billing, operations, and fiscal stability. MBCHC staff provided monitoring staff with a description of how each client chart was organized.

Summary of Billing Audit Findings

Please refer to the "Review of Service Provider's Billing Practices" entries in Section XXI, Summary of Findings, Recommendations & Corrective Actions, of the enclosed comprehensive monitoring report, dated March 29, 2013.

Summary of Client Eligibility Findings

Of the 100 randomly selected client charts reviewed, 96 were found to be complete with no problems related to documentation supporting client eligibility. Four (4) client charts were problematic. Please refer to the "Review of Documentation of Client Eligibility for Ryan White Program-Funded Services" entries in Section VI and Section XXI of the enclosed comprehensive monitoring report. Section VI describes what was found and Section XXI details concerns regarding four (4) client files that arose during the site visit regarding documentation of client eligibility.

Summary of Other Findings

Please refer to Section XXI, Summary of Findings, for a complete listing of forty-six (46) findings, including recommendations and/or corrective actions where applicable.

Summary of Exit Interview

Areas of concern and all findings were reviewed in general with Mr. Jose Ortega, Vice-President of HIV/AIDS Services-Immune Support Program Director during the exit interview. MBCHC staff was informed that a written report with details of the findings and required corrective actions would be forthcoming.

Repayments

As a result of the findings noted in Section XXI of the attached monitoring instrument, MBCHC is required to repay the County's Ryan White Program a total of \$580,165.98. This includes a disallowance of \$5,086.09 for unsupported Part A/MAI outpatient medical care services (OMC) (\$227.18 for FY 2011 MAI OMC; \$2,516.50 for FY 2011 Part A OMC; and \$2,342.41 for FY 2012 Part A OMC). In addition, a comprehensive comparative analysis was completed by the OMB – GC Ryan White Fiscal Officer of MBCHC's payroll records, including time and effort documentation for Fiscal Years 2011 and 2012 for the sampled months (pro-rated for the twelve month periods) for staff charged to the Ryan White Program Final Line Item Budgets as seen on Attachments 4.1 through 4.10.b. MBCHC must re-pay the County's Ryan White Program a total of \$575,079.89 related to inappropriate time and effort documentation for staff charged to the Ryan White Part A and/or MAI Programs.

A check for these repayments totaling \$580,165.98 must be made payable to the "Board of County Commissioners" and remitted to the Office of Management and Budget-Grants Coordination/Ryan White Program by close of business on Friday, May 3, 2013. If MBCHC management feels that the amount of disallowances is incorrect or wishes to dispute the findings in this report, they must submit a written response to OMB-GC/RW management addressing any possible discrepancies by close of business on Friday, May 3, 2013. Back-up documentation must be provided as specified in the accompanying cover letter.