

County: Butte County	POC Due Date: April 26, 2021	Date Received by DHCS: July 7, 2021	Completed Date: July 7, 2021
County Contact Person:			
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Butte County MHPA Plan of Correction

Finding # or Suggested Improvement #	Finding or Suggested Improvement	Recommendation # (State Corrective Action Step / Identify Timeline / and Evidence of Corrections / Mechanisms for Monitoring Effectiveness)	
Finding #1	County contracted with Youth for Change, the contractor performing CSS services for MHPA members. During the Audit, it was disclosed that contractor payments reported in the General Ledger (GL)/County accounting records for Youth for Change, Contract # 18282 and 18422, did not reconcile with the invoices that County submitted. Per invoice reconciliation, Contract No. X18282, County owed the Contracted Provider \$7,053 and Contracted Provider owed \$4,045 to County. For Contract No. X18422, County owed \$11,144 to the Contracted Provider.	County should exercise due care in the preparation RER and SD/MC cost report and maintain accuracy among the reports submitted to the Department.	Butte County has improved the processes in the preparation of the RER and SD/MC cost report in the years subsequent to the RER under audit. Additionally, in years in which the SD/MC cost report is due before the RER, Butte County will issue settlement letters to all contract providers prior to submission of the RER, ensuring greater accuracy of the report.

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	According to the County, there were no adjustments made for this difference during FY 10-11 cost report settlement, however; County made adjustments later in April 2013 and September 2014. County provided invoices showing the adjustments for later years		
Finding #2	Our examination disclosed that County's RER for CSS component did not reconciled with the GL/ accounting reports. According to the County, the variance are due to the adjustments made to the MESA expenses after the RER had been submitted to the Department. Therefore, Audits' made the following adjustments to the CSS component.	County should exercise due care in the preparation RER and SD/MC cost report and maintain accuracy among the reports submitted to the Department.	Butte County has improved the processes in the preparation of the RER and SD/MC cost report in the years subsequent to the RER under audit. Additionally, in years in which the SD/MC cost report is due before the RER, Butte County will ensure all adjustments resulting from the SD/MC cost report are appropriately reflected in the submitted RER.  <b>DHCS 1821 Comment for Finding #2 - To reconcile the reported expenses to agree with County's general ledger. This will be an increase to our expenditures</b>
Finding #3	Our examination disclosed that the total Medi-Cal Federal Financial Participation (FFP) funding reported in the RER is	County should make changes to the funding information	Since the completion of the 10/11 RER, Butte County has implemented a process to ensure the MESA funds are adjusted once the final Cost

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	<p>less than the audited Medi-Cal FFP funding for the CSS program. Comparing Medi-Cal FFP in the RER with the audited Medi-Cal FFP disclosed the following variances</p> <p>The reason for the variance is County's reported MHPA units for FFP calculation for RER is different than the audited MHPA units.</p>	<p>according to the final MHPA audit report.</p>	<p>Report units are determined at reconciliation. Butte County will examine the fund history to determine if the adjustment identified here was appropriately reflected when the 10/11 Cost Report reconciliation was completed.</p> <p><b>DHCS 1821 Comment for Finding #3 - To adjust the Medi-Cal FFP fund for CSS based on the audited MHPA Medi-Cal FFP Calculation. This is an increase to our revenue</b></p>
<p>Finding #4</p>	<p>The County's RER did not reconcile with the County GL/ accounting reports for PEI component. According to the County, the variance is due to the adjustments they made to the MHPA expenses after the RER was submitted to the Department. Therefore, Audits made following adjustments to the PEI component.</p>	<p>County should exercise due care in the preparation RER and SD/MC cost report and maintain accuracy among the reports submitted to the Department.</p>	<p>Butte County has improved the processes in the preparation of the RER and SD/MC cost report in the years subsequent to the RER under audit. Additionally, in years in which the SD/MC cost report is due before the RER, Butte County will ensure all adjustments resulting from the SD/MC cost report are appropriately reflected in the submitted RER.</p> <p><b>DHCS 1821 Comment for Finding #4 - To reconcile the reported expenses to agree with County's general ledger. This is a decrease to our expenditures</b></p>

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Finding #5	<p>Our examination disclosed that the total Medi-Cal FFP funding reported in the RER is less than the audited Medi-Cal FFP funding for MHPA program. Comparing Medi-Cal FFP reported in the RER with the audited Medi-Cal FFP disclosed the following variances:</p> <p>The reason for the variance is County's reported MHPA units for FFP calculation for RER is different than the audited MHPA units.</p>	County should make changes to the funding information according to the final MHPA audit report.	<p>Since the completion of the 10/11 RER, Butte County has implemented a process to ensure the MHPA funds are adjusted once the final Cost Report units are determined at reconciliation. Butte County will examine the fund history to determine if the adjustment identified here was appropriately reflected when the 10/11 Cost Report reconciliation was completed.</p> <p><b>DHCS 1821 Comment for Finding #5 -To adjust the Medi-Cal FFP fund for PEI based on the audited MHPA Medi-Cal FFP Calculation. This is an increase to our revenue</b></p>
Finding #6	The County's RER for INN did not reconciled with the County GL/ accounting reports. According to the County, the variance is due to the adjustments they made to the MHPA expenses after the RER was submitted to the Department. Therefore, Audits made the following adjustments to the INN component.	County should exercise due care in the preparation RER and SD/MC cost report and maintain accuracy among the reports submitted to the Department.	Butte County has improved the processes in the preparation of the RER and SD/MC cost report in the years subsequent to the RER under audit. Additionally, in years in which the SD/MC cost report is due before the RER, Butte County will ensure all adjustments resulting from the SD/MC cost report are appropriately reflected in the submitted RER.

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			<b>DHCS 1821 Comment for Finding #6 To reconcile the reported expenses to agree with County's general ledger. This is a decrease to our expenditures</b>
Finding #7	<p>Our examination disclosed that the total Medi-Cal FFP funding reported in the RER is less than the audited Medi-Cal FFP funding for MHSAs program. Comparing Medi-Cal FFP reported in the RER with the audited Medi-Cal FFP disclosed the following variances:</p> <p>The reason for the variance is County's reported MHSAs units for FFP calculation for RER is different than the audited MHSAs units.</p>	County should make changes to the funding information according to the final MHSAs audit report.	<p>Since the completion of the 10/11 RER, Butte County has implemented a process to ensure the MHSAs funds are adjusted once the final cost report units are determined at reconciliation. Butte County will examine the fund history to determine if the adjustment identified here was appropriately reflected when the 10/11 Cost Report reconciliation was completed.</p> <p><b>DHCS 1821 Comment for Finding #7 -To adjust the Medi-Cal FFP fund for INN based on the audited MHSAs Medi-Cal FFP Calculation. This is a increase to our revenue</b></p>