

North Broward Hospital District Board of Commissioners  
1700 Northwest 49th Street, Suite #150, Ft. Lauderdale, FL 33309

## **AUDIT COMMITTEE MEETING** **10:00 a.m., Wednesday, February 17, 2021**

The Audit Committee Meeting of the North Broward Hospital District was held at 10:00 a.m., on February 17, 2021, at the Broward Health Corporate Spectrum Location, 1700 NW 49<sup>th</sup> Street, Suite 150, Fort Lauderdale, Florida 33309.

### **1. NOTICE**

Official notice is attached to these minutes, titled EXHIBIT I. Agenda of this meeting is attached to the minutes, titled EXHIBIT II. Supporting documents are attached to these minutes, titled EXHIBIT III. These exhibits are presented for consideration of the Board.

### **2. CALL TO ORDER**

There being a quorum present, the meeting was called to order by Chair Stacy L. Angier at 10:04 a.m.

### **3. COMMITTEE MEMBERS**

*Present:*

James Petkas, Expert Consultant  
Scott Porter, Expert Consultant  
Ray T. Berry, Commissioner  
Nancy W. Gregoire, Vice Chair  
Stacy L. Angier, Chair

*Senior Leadership*

*Additionally Present:*

Marie C. Waugh, Commissioner  
Alan Goldsmith, Chief Operating Officer  
Alex Fernandez, Chief Financial Officer  
Linda Epstein, Corporate General Counsel  
Jerry Del Amo, Deputy General Counsel

### **4. PUBLIC COMMENTS**

Chair Angier opened the floor for public comments, in which there were none.

### **5. APPROVAL OF MINUTES**

Without objection, Chair Angier approved the minutes, dated January 20, 2021.

Motion *carried* without dissent.

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## 6. TOPIC OF DISCUSSION

- 6.1. Staff Introductions (Presenters - Brian Kozik, Interim Chief Internal Auditor, Cynthia Norris, AVP, Internal Audit)

The following new staff members were introduced to the committee. The new team members shared their work experience and certifications:

- Fabian Tracey, Supervisor, Financial Audits
- Robert Colwell, Supervisor, Clinical Audits
- Sharita Clark, Senior Auditor
- Je Lee, Senior Auditor
- Kevin Kull, Senior IT Auditor
- Ghania Khalil, Internal Auditor
- Christine Sankar, Internal Auditor
- Brandon Ewan, Internal Auditor
- Paul Tertan, Internal Auditor

A brief discussion was held regarding the frequency of Audit Committee Meetings.

**WALK-ON MOTION** It was *moved* by Commissioner Gregoire, *seconded* by Mr. Porter, that:

The Audit Committee approve that Audit Committee Meetings be scheduled bimonthly.

Motion confirmed by roll call.

**YES** James Petkas, Expert Consultant

**YES** Scott Porter, Expert Consultant

**YES** Ray T. Berry, Commissioner

**YES** Nancy W. Gregoire, Vice Chair

**YES** Stacy L. Angier, Chair

Motion *carried* 5/0.

- 6.2. Fiscal Year 2021 Updated Audit Plan (Presenter – Cynthia Norris, AVP, Internal Audit)

Ms. Norris shared the status of current audits within the Audit Plan.

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### Audit Activities and Updates:

- Fiscal Year 2021 Audit Plan
  - (27) audits in total.
  - (1) special project.
  - (6) in process.
    - (5), in planning phase.
    - (1), in fieldwork phase.
  - (1) cancelled.
    - PCI Audit.
  - (13) audits proposed for removal from audit plan.
    - (11 of 13) proposed for outsourcing (audits pending commencement):
      1. Operating Room Charges and Reconciliation.
      2. Physician Billing Office (PBO) Billing Process Denial Management.
      3. Clinical Trials and Research.
      4. Untimely Insurance of Advanced Beneficiary Notices.
      5. Medical Equipment Maintenance Review.
      6. Special Project – Transaction Testing with Palmer Forensics.
      7. Phishing Program Review (IT audit).
      8. Patch and Vulnerability (IT audit).
      9. Data Lake Validation Process (IT audit).
      10. Negative Patient Outcomes Associated with Medication Discrepancies.
      11. Subcontractor monitoring for Healthcare for the Homeless.

Two additional audits proposed for cancellation, related to user access testing.

- Identify and access management review: first half of year.
- Identify and access management review: second half of year.

Ms. Norris agreed to provide an updated Audit Work Plan, including audits to be outsourced, to the committee for review. A calendar for audit dates and status also to be made available to the committee.

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**MOTION** It was *amended* by Commissioner Gregoire, *seconded* by Mr. Porter, that:

The Audit Committee recommend that the Board of Commissioners of the North Broward Hospital District approve the outsourcing of (11) audits for a maximum budget amount of \$275k and to cancel the (2) Identity Management audits.

1. Operating Room Charges and Reconciliation.
2. Physician Billing Office (PBO) Billing Process Denial Management.
3. Clinical Trials and Research.
4. Untimely Insurance of Advanced Beneficiary Notices.
5. Medical Equipment Maintenance Review.
6. Special Project – Transaction Testing with Palmer Forensics.
7. Phishing Program Review (IT audit).
8. Patch and Vulnerability (IT audit).
9. Data Lake Validation Process (IT audit).
10. Negative Patient Outcomes Associated with Medication Discrepancies.
11. Subcontractor monitoring for Healthcare for the Homeless.

Two additional audits proposed for cancellation, related to user access testing.

1. Identify and access management review: first half of year.
2. Identify and access management review: second half of year.

Motion confirmed by roll call.

- YES** James Petkas, Expert Consultant
- YES** Scott Porter, Expert Consultant
- YES** Ray T. Berry, Commissioner
- YES** Nancy W. Gregoire, Vice Chair
- YES** Stacy L. Angier, Chair

Motion *carried* 5/0

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6.3. Staffing Update: Job Postings (Presenter – Cynthia Norris, AVP, Internal Audit)

Position Control approved two new positions, Clinical Auditor and IT Audit Supervisor. Committee to be notified once positions are posted.

6.4. Audit Committee Draft Charter (Presenter – Brian Kozik, Interim Chief Internal Auditor)

6.4.1. Resolution FY21-16: Resolution Amending the Audit Committee in the Codified Resolutions of the Board of Commissioners of North Broward Hospital District and the Audit Committee Charter

Discussion ensued regarding the level of clarity within the latest revisions of the charter compared to original documents and prior revisions.

Mr. Bauman, Senior Associate General Counsel, stated that there were no redlines to the old Audit Charter and the proposed Audit Charter because they are completely separate documents. The proposed Audit Charter was drafted using the Internal Audit Institute of Internal Auditors (IIA) Guidelines but tweaked to reflect current District practices and consistency with Florida law. The Audit Committee requested, and Mr. Bauman agreed, a document reflecting the changes between the documents to be submitted no later than one (1) month prior to the next Audit Committee meeting.

Mr. Kozik asked Ms. Norris to share further updates on current audits.

New reports that would be made available to the Audit Committee.

- Balance Scorecard Review Fiscal Year 2020 Report.
  - Report issued in January.
  - One issue identified.
    - Net New Provider Growth was stated higher because of an error in the spreadsheet.
    - Corrective action plan has been implemented
    - Testing pending to verify correction is in process.

**MOTION** It was *moved* by Commissioner Gregoire, *seconded* by Mr. Petkas, that:

The Audit Committee accept the Balanced Scorecard Fiscal Year 2020 Internal Audit Report.

Motion confirmed by roll call.

**YES** James Petkas, Expert Consultant

**YES** Scott Porter, Expert Consultant

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**NO** Ray T. Berry, Commissioner  
**YES** Nancy W. Gregoire, Vice Chair  
**YES** Stacy L. Angier, Chair

Motion *carried* 4/1.

- Central Billing Office (CBO)
  - Corrective action plans drafted.
  - Testing in process to verify implementation.

**MOTION** It was *moved* by Mr. Porter, *seconded* by Commissioner Gregoire, that:

The Audit Committee approve the Central Billing Office Transaction Posting Audit Report, subject to the corrective action plan being brought back to the Audit Committee.

Motion confirmed by roll call.

**YES** James Petkas, Expert Consultant  
**YES** Scott Porter, Expert Consultant  
**NO** Ray T. Berry, Commissioner  
**YES** Nancy W. Gregoire, Vice Chair  
**YES** Stacy L. Angier, Chair

Motion *carried* 4/1.

- Physician Billing Office (PBO)
  - Corrective action plans identified.
  - Testing in process to verify implementation.

**MOTION** It was *moved* by Commissioner Mr. Porter, *seconded* by Commissioner Gregoire, that:

The Audit Committee approve the Physician Billing Office Transaction Posting Audit Report, subject to the responses being brought back to the Audit Committee.

Motion confirmed by roll call.

**YES** James Petkas, Expert Consultant  
**YES** Scott Porter, Expert Consultant  
**NO** Ray T. Berry, Commissioner  
**YES** Nancy W. Gregoire, Vice Chair

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**YES** Stacy L. Angier, Chair

Motion *carried* 4/1.

- Revenue Cycle Access Operations and Emissions Audit Report (April 2020).
  - Was previously discussed but not put through the approval process of the Audit Committee.
  - User access issues identified and addressed.

Kathy Ross, VP, Chief Administration Officer, confirmed that AuditLogic is the only remaining system in which a terminated employee can access after they are removed from the active directory. A process has been put into place to ensure that employees no longer with the system are being flagged and removed manually.

Ms. Norris brought to the committee's attention that the Revenue Cycle Patient Access Operations and Admissions Audit Report from April 2020 had not been approved by the committee, although it had been provided for review on the portal.

**MOTION** It was *moved* by Mr. Porter, *seconded* by Mr. Petkas, that:

The Audit Committee approve the Revenue Cycle Patient Access Operations and Admissions Audit Report from April 2020.

Motion confirmed by roll call.

**YES** James Petkas, Expert Consultant  
**YES** Scott Porter, Expert Consultant  
**NO** Ray T. Berry, Commissioner  
**YES** Nancy W. Gregoire, Vice Chair  
**YES** Stacy L. Angier, Chair

Motion *carried* 4/1.

Ms. Norris shared an update on the new audit methodology, noting that it was completed and made available to the Audit Committee for review or feedback.

## 7. **ADJOURNMENT**

There being no further business on the agenda, the Chair adjourned the meeting at 11:08 a.m.

Respectfully submitted,

Commissioner Marie C. Waugh, Secretary/Treasurer