



Report Highlights

Northeast Delta Human Services Authority Louisiana Department of Health

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Financial Audit Services • June 2021

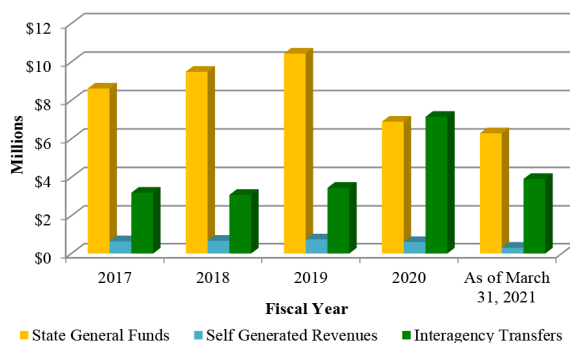
Why We Conducted This Work

We performed certain procedures at the Northeast Delta Human Services Authority (NEDHSA) to evaluate certain controls NEDHSA uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and accountability over public funds for the period of July 1, 2019, through June 1, 2021.

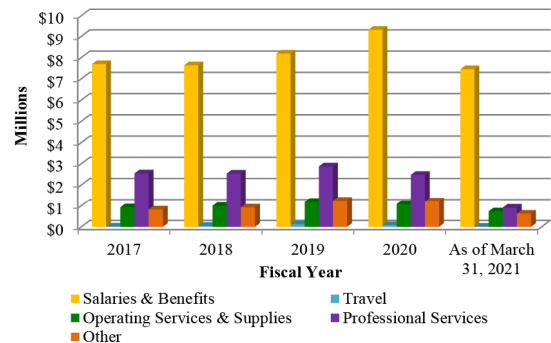
What We Found

- NEDHSA failed to comply with its agreement with the Office of Debt Recovery (ODR) for the collection of delinquent account balances owed. It has been a year since NEDHSA requested payment from debtors or submitted delinquent accounts to ODR, and ODR has not been notified.
- NEDHSA employees did not consistently obtain prior authorizations to bill Medicaid, Medicare, and private insurance companies for services provided to clients, as required by insurers' contract terms. As a result, NEDHSA did not collect, but wrote off \$37,322 of self-generated revenues during the two fiscal years ending June 30, 2021, as of December 31, 2020.
- The prior-report findings related to Not Billing for Services Provided and Contract Award Documents Lack Required Identifying Information have been resolved by NEDHSA management.
- We evaluated controls and transactions relating to cash, accounts receivable, purchasing card expenses, Fueltrac card access, contract expenses, revenue billings, and payroll expenses. Except as noted above, these controls provided reasonable assurance of accountability over public funds for the period examined.
- We compared the most current and prior-year financial activity using NEDHSA's Annual Fiscal Reports and/or system-generated reports and obtained explanations from NEDHSA's management for any significant variances.
- In analyzing revenues and expenses over the past five fiscal years, state general fund revenues steadily increased until fiscal year (FY) 2020 when these funds were reduced by approximately \$3.5 million due to a budget adjustment for Coronavirus Aid, Relief, and Economic Security (CARES) Act federal funds received in FY 2020 as interagency transfers (IAT). Approximately \$2.5 million of CARES funds were received in FY 2021 as of March 31, 2021. Salaries and benefits remained fairly stable until these expenses increased in FY 2020, mainly due to market rate salary adjustments, an increase in overtime payments for staffing of a COVID-19 isolation shelter, and filling staff vacancies.

Five-Year Revenue Trend



Five-Year Expense Trend



Source: Integrated Statewide Information System 2G15 Reports

View the full report, including management's responses, at www.lla.la.gov.